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AGREEMENT FOR NEW CREDIT FROM WORLD BANK SIGNED

Dacca THE BANGLADESH OBSERVER in English 28 Jan 82 p 1

[Text] Washington Jan 27:--The World Bank will provide Bangladesh a credit of 100 million dollars under an agreement signed here today reports BSS.

Bangladesh will utilise the credit for the import of goods essential for operation of industrial and agricultural enterprises.

Mr Tabark Hussain, Bangladesh Ambassador to U S and Mr David Hopper, Vice President of the Bank, signed the agreement for their respective sides.

The credit will be utilised for the tenth import programme of the country.

Speaking at the signing ceremony Mr Hopper assured that Bangladesh would always get priority consideration from the World Bank for its development projects and economic activities.

He hoped that Bangladesh would be especially benefited from the agricultural component of the credit.

Negotiations were completed earlier for a concessional World Bank assistance of two hundred million dollars half of which has been covered by the agreement signed on Wednesday.

The credit will provide foreign exchange component for the import of industrial raw materials equipment spares and of agricultural projects, fertilisers, pesticides and diesel oil for irrigation.

Thanking the World Bank Ambassador Tabarak Hussain called for giving special consideration to Bangladesh's requirement of the Bank's concessional funds.

CSO: 4220/7774

MAULANA CALLS FOR RESISTANCE COMMITTEE

Dacca THE NEW NATION in English 1 Feb 82 pp 1, 8

[Text] Moulana Mohammadullah (Hafezji Huzoor), Ameere-e-Shariat of the Bangladesh Khilafat Andolon, yesterday gave a call to the people to form 'resistance committee' at all levels against what he called "threat to life, property, honour and religion now prevailing in the country."

The Huzoor also stressed the need for establishing Islam in its truest sense for the welfare of the mankind.

The Hafezji Huzoor, who contested the last presidential election, was addressing a press conference at the party office to announce the manifesto of his newly formed organization. The press conference was also attended among others by party's central leaders like Moulana Azizul Huq, Moulana Shamsuddin Qu'shemi and Prof. Akhtar Faruq.

The call of the Maulana was announced by the Publicity Secretary of the party Prof. Akhtar Faruq who conducted the news conference and read out the 32 page manifesto in presence of the Huzur.

He also strongly criticised the Government for what he called its 'failures' in honouring its promises to the people and in checking rampant corruptions and anti-Islamic activities including gambling and naked shows.

To overcome the 'imminent famine', Hafezji Huzur advised the Government to procure sufficient quantity of foodgrains and introduce rationing system for the poorer section and stop it to the richer class.

He demanded of the Government to waive taxes and interests on loans of the farmers and introduce share for the workers in the factory profits.

In his brief statement, the 'Amir-E-Shariat' (the chief) of the Khilafat Andolon appealed to all Muslims to come to the right path of Islam. He pointed out that Islam, spread by the Prophet Hazrat Mohammad (SM), is an universal religion which had no alternative.

Hafezji Huzur said that the parties formed in the name of Islam earlier had no 'Islam' in them.

Though Pakistan was formed on the basis of Islam, its leadership had ignored its ideals, he added.

He categorically said that the Khilafat Andolan would not follow the ideologies of 'America', 'Russia' or 'China', but it would go on working to establish real Islam in the world through strict adherence of the principles of Rasul (SM).

Referring to the other religion-based political parties and apparently indicating to the jammaate Islami, Mr. Akhtar Faruq said that they are trying to establish religion in the light of politics and not the politics in the light of religion.

He said those people can use religion as their 'political weapon but can never establish islam in true sense.

CSO: 4220/7787

BNP CONSTITUTION REVIEW GROUP SUBMITS REPORT

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 pp 1, 12

[Text] The three-member Constitution Review Committee of Bangladesh Nationalist Party (BNP) has recommended radical changes in the party constitution. The constitution of BNP is likely to be more democratic than the constitutions of all the existing political parties after the amendments, claimed a source close to the committee.

The committee which met on Thursday finalised the recommendations and will submit them to the Chairman of the party today (Friday). It is learnt the committee has suggested that the office bearers and members of the National Executive Committee of BNP should be elected.

Two third members of the National Standing Committee will be elected and the party Chairman will nominate one third. The number of National Standing Committee members is likely to be 15. All the Vice Chairmen of the party will be members of the Standing Committee which is the highest policy making body. The recommendations of the Constitution Review Committee will be discussed in the National Standing Committee and after that these will be placed before the councillors in the party Council session which is likely to be held some time in April.

The Constitution Review Committee of the ruling party was formed on January 21 at the extending meeting of the party to suggest amendments for democratising the constitution.

Meanwhile, a Press release issued by the Review committee says, a meeting of the BNP Constitution Review Committee was held on Thursday to review the existing constitution to recommend necessary amendments to the Chairman of the party. The committee in the course of its deliberations consulted most of the members of the Parliament, party leaders at different levels examined the suggestions submitted to it in writing or verbally by different party leaders and members and examined the constitutions of the major political parties including Awami League, National Awami Party, Democratic League, Muslim League and UPP.

Presided over by Mr Jamiruddin Sircar the meeting was attended by two other members of the committee Sheikh Razzak Ali M' and Barrister Namzul Huda. All of them are members of the BNP Standing Committee.

CSO: 4220/7791

PRIME MINISTER: THERE ARE NO REBELS IN BNP

Dacca THE BANGLADESH TIMES in English 5 Feb 82 pp 1, 8

[Text] Prime Minister Shah Azizur Rahman on Thursday said he did not recognise the existence of any "rebel group" within the BNP and so there could not be any question of dialogue for rapprochement.

"I cannot recognise a party within the party. How can there be a question of rapprochement," he said.

Shah Aziz who is the leader of House in Jatiya Sangsad stated this when asked if there was any move for rapprochement or understanding with the (rebel group) within the party in view of the Jatiya Sangsad session beginning from February 15.

He was talking to ENA at his Secretariat office on Thursday noon.

Shah Aziz carried a question whether the Parliamentary Party of the BNP in its meeting before the Parliament session will hold any formal discussion to resolve the reported crisis within his party arising out of differences of opinion between the ruling echelon and the dissident group. He said no organisational issue was likely to be on the agenda of the meeting. The Parliamentary Party would mainly discuss the question of legislation, but any member of the Parliamentary Party was, however, at liberty to raise any issue for discussion, he added.

The date of BNP Parliamentary Party meeting, Prime Minister said had not yet been fixed. But the meeting would be held sometime before the beginning of the session as usual, he added.

Asked to comment on the reservation expressed by some of the dissident group members regarding the formation of a three-member committee for "democratisation" of the BNP, Shah Aziz said, "Nobody will be able to create any disruption within the party. Anybody violating party discipline will be liable to disciplinary proceedings," he added.

Replying to a question he said he thought debate on foreign policy may not take place in the coming winter session.

Shah Aziz said the forthcoming session will mainly concentrate on legislative business, apart from holding discussions on vote of thanks on the President's address. He said a large number of bills are already pending before the House

while a number of ordinances, vulnerable to lapse on ground of time-lag, will be introduced in the House as bills.

Meanwhile, Prime Minister Shah Azizur Rahman has secured signatures of 206 MPs in his favour reposing confidence in his leadership, a close confident of the Prime Minister said on Thursday night. He expressed his firm conviction that barring a few misguided and disgruntled members all others are behind the Prime Minister.

CSO: 4220/7794

SATTAR PROMISES MORE POWER TO GRAM SARKARS

Dacca THE BANGLADESH TIMES in English 31 Jan 82 p 1

[Text] President Abdus Sattar said on Saturday that laws giving more power to the Swanirvar Gram Sarkars would be formulated so that they could work effectively for the development of their own villages.

Addressing the national conference of the Swanirvar Gram Sarkars at Sher-e-Bangla Nagar President Sattar urged them to put in their best efforts to make each and every village of the country self-reliant.

The President said that the guidelines given by Late President Ziaur Rahman for making the Gram Sarkars effective institution for building a prosperous nation would continue to inspire the members of Gram Sarkars in all their activities.

About 10 thousand Gram Sarkars members--both male and female--attended the conference with much enthusiasm.

The conference was also addressed by Mr. Abdul Halim Choudhury, Minister for Local Government, Rural Development and Cooperatives, Choudhury Kamal Ibne Yusuf, State Minister for Local Government Rural Development and Cooperatives and five Gram Sarkar leaders including four from each division. Members of the Council of Ministers, District Development Coordinators and BNP leaders attend the conference.

President Sattar said that till the nation reached its cherished goal, the development programmes initiated by Late President Ziaur Rahman for achieving economic freedom of the people would continue. He said that it was the sacred responsibility of the members of the Gram Sarkars to work hard to fully implement the programme.

The President said that the present Government was pledge bound to continue with the Gram Sarkar programme launched by Shaheed President Zia. He expressed his confidence that the members of the Gram Sarkars would be able to change the lot of the common people if they put in their sincere efforts to develop their respective areas.

Appreciating the role of Gram Sarkars for the socio-economic development of the rural areas, President Sattar urged them to work with more sincerity and zeal to make the mass literacy and family population control programmes successful. Otherwise, he said, all development programmes would become meaningless.

Expressing happiness that more and more educated people were joining the Gram Sarkars, the President hoped that the educated people after retirement from civil service would go to their villages and actively participate in the development of their areas.

Govt Aware of Problems

Referring to some demands of the Gram Sarkars President Sattar said that the Government was aware of the problems being faced by them and assured that it would take appropriate measures to solve these. He said that Government would consider the Constitution of a National Committee of the Gram Sarkars.

At present only thana level committees were working. Subdivision and district-level committees were yet to be formed.

Resist Exploitation by Middlemen

Speaking on the occasion Mr Abdul Halim Choudhury said that the national committee of the Swanirvar Gram Sarkar would be formed after the completion of the formation of committees at thana, subdivision and district levels.

The Minister called upon the members of Gram Sarkars to unitedly resist the exploitation by the middlemen who he said, enjoying undue benefits without involving themselves in production process.

Mr Choudhury said that Gram Sarkars aimed at increasing production and ensuring equitable distribution of the produce. He said that there should not be misunderstanding between Gram Sarkar and Union Parishad. Clear cut jurisdiction and job specification of the two bodies would soon be formulated to facilitate working of both the bodies without any conflict.

The Gram Sarkar leaders who spoke on the occasion expressed their firm determination to follow the path shown by Late President Shaheed Ziaur Rahman.

CSO: 4220/7785

WEEKLY DISCUSSES OPPOSITION ALIGNMENTS, SCHISMS

Dacca HOLIDAY in English 31 Jan 82 pp 1, 8

[Text] Apart from internal squabbling between the two factions of the Awami League (Hasina) all is quiet on the opposition political front. The setback suffered by the opposition in general during the November presidential election because of their own political disunity still lingers heavily.

There is no new political move against the government from the opposition side. The organizational gains made by the parties separately or in groups during the presidential election campaigning appears to be disappearing.

Participation in the election has in fact further sharpened the internal differences of some major parties like the Awami League (Hasina) and JSD. The political groups and alliances which emerged during the election like the three-party alliance and the supra-political Citizens' Committee, and the Patriotic Front under Muhammad Toaha seem to have waned and lost political significance.

Opposition parties and alliances like the Muslim League of late Khan Sabur, Jamaat-e-Islami and the 18-party combine which refrained from taking part in the election are still inactive. The Jamaat-e-Islami, however, observed an organizational fortnight during the last week of December and first week of January and according to party sources has got a good response from all over the country.

The 18-party alliance, according to some of its own leaders, is dead for all practical political purposes. The alliance was formed as a combination of democratic forces with definite anti-Indo-Soviet bias. So is the case with the 10-party alliance of Awami League (Hasina), JSD and other pro-Moscow forces.

Despite apparent shifts in JSD politics towards Moscow the alliance is unlikely to become viable because of irreconcilable difference between the Awami League (Hasina) and JSD leadership which are the major partners of the combine.

Schisms

Meanwhile both Awami League (Hasina) and JSD have been suffering from serious internal political schisms. The crisis inside Awami League (Hasina) is more acute and the party virtually stands crippled.

Awami League central leaders tried frantically to unite the divided student wing of the party before the Ducusu polls but failed. Both factions of the Awami

student groups participated in the Ducusu polls separately and have put up poor shows.

The party leadership also made their difference over the student wing clear and obvious. While Kamal Hussain, Tofail Ahmed, Abdul Mannan and other central leaders went to address the Student League (Jalal-Jahangir) faction's conference held a few days before the Ducusu election claiming that this group is officially recognized by the party, Abdur Razzak, the general secretary, did not attend it.

He gave a statement criticizing the leaders for attending the conference which was followed by a counter-statement by presidium member Abdul Mannan condemning Abdur Razzak.

It is gathered that party chief Hasina Wajed who is completely disillusioned about her organization and is now in Britain telephonically asked Kamal Hussain and others to attend the Jalal-Jahangir faction's conference.

This faction always had the blessings of Hasina Wajed while the Fazlu-Chunnu faction enjoys the support of Abdur Razzak.

New Moves

It is understood that according to the latest polarization of leaders inside the party Abdul Malek Ukil who has been maintaining some apparent neutrality so far has thrown his lot with the Abdur Razzak faction. Another senior leader Mohiuddin Ahmed who was so long with Abdur Razzak, however, is learnt to have withdrawn his support from the group.

The youth front of the party, Awami Jubo League, also stands clearly divided between pro-Razzak and anti-Razzak factions. The conference of the city unit of Jubo League scheduled to be held today (Sunday) may lead to the formal division of the organization.

Meanwhile during the Ducusu election Abdur Razzak is learnt to have had taken an initiative to unite the Student League (Fazlu-Chunnu) faction loyal to him, the CPB's student front and the JSD's student wing.

He is held a series of discussions with the leaders of CPB and JSD for the purpose. The unity, however, did not come by. But this has further escalated the complications inside the Awami League.

The JSD also faces similar troubles. A section of party workers is completely disenchanted with the present leadership of Major Jalil and A. S. M. Abdur Rab and have been charging them for colluding with government leaders.

It is gathered that party joint secretary and parliamentary group leader Shahjahan Siraj and a former acting president Mirza Sultan Raza have been trying to use the frustration of the workers for consolidating their own position inside the party.

Shahjahan Siraj is also learnt to have held a number of meetings with Awami League general secretary Abdur Razzak to consider ways and means to move jointly with their factions of their respective parties in the political arena.

CPB and some other parties also maintain close links with the move of Abdur Razzak and Shahjahan Siraj. According to some sources something positive out of this political maneuvering may come soon.

Political observers believe that such polarizations in opposition politics may not create much impact immediately. But newer polarizations have also become essential to break the current round of almost total stalemate in the opposition political arena.

CSO: 4220/7786

GENERAL ERSHAD SPEAKS AT EAST BENGAL CEREMONY

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 pp 1, 12

[Text] A ceremonial parade marking the 20th raising anniversary of the "Minor Tigers" a battalion of the East Bengal Regiment was held at the battalion's exercise area parade ground near Dakhin Khan off Zia International Airport on Thursday morning reports BSS.

Lt. Gen. H. M. Ershad, Chief of the Army Staff and Colonel commandant of the East Bengal Regiment was the chief guest.

Speaking on the occasion the Chief of the Army Staff urged the soldiers to dedicate themselves to the materialisation of a happy prosperous and stable Bangladesh, the Bangladesh of the dreams of our great shaheeds.

Gen Ershad observed that the heroic deeds and sacrifices of the "Minor Tigers" during the War of Liberation of Bangladesh had immortalised them. The 'Minor Tigers' acts of bravery after liberations during critical junctures in the life of the nation would also be remembered with esteem by all in the Army indeed by the entire country he added.

Extolling the 20 years history of the "Minor Tigers" the Army Chief further observed that they had proved their mettle in the 65 war and in times of national crisis. The patriotism evinced by them during the May 30-31 Chittagong incident would remain inscribed in letters of gold in the history of Bangladesh he added.

The Chief of the Army Staff said he was confident that they would always be ready for the supreme sacrifice in defence of the independence and sovereignty of the country in keeping with their glorious traditions.

General Ershad also unveiled a plaque dedicated to the shaheed soldiers of the unit.

The ceremonial parade was attended among others by the Principal Staff Officers of the Army Headquarters, the GOC of the local Army Division, the Military Secretary to the President and officers formerly belonging to the unit.

Earlier the Army Chief visited the Brigade Headquarters at the exercise area and met all the brigade officers.

On his arrival at the exercise area, the Chief of the Army Staff was received by the Commander of the local Independent Infantry Brigade Colonel M. Rafiqul Islam.

CSO: 4220/7791

FOREIGN MINISTER ADDRESSES ISLAMIC MINISTERS

Dacca THE BANGLADESH TIMES in English 28 Jan 82 pp 1, 9

[Text] Prof. M. Shamsul Huq, Minister for Foreign Affairs, on Wednesday re-emphasised the urgency for the early setting up of a standing committee of foreign ministers of the member-states of the Organisation of the Islamic Conference (OIC) to meet unforeseen emergencies and crises.

Inaugurating a 3-day expert group meeting of the standing committee of Foreign Minister in Dacca Prof. Huq expressed his sincere belief that expert group of OIC would bring to bear on their deliberations "objectivity, wisdom and vision so as to further the objectives of the OIC by strengthening it in promoting closer consultations and cooperation among the member-states in meeting unforeseen emergencies and crises".

The expert group comprises senior officials of Saudi Arabia, Iraq, Gambia, Indonesia, Pakistan and Bangladesh. Mr. M. Arshaduzzaman, Assistant Secretary General, OIC, is representing the Islamic Secretariat at the meeting.

Greater Unity

The Foreign Minister said that Bangladesh had been consistently pleading for greater unity and solidarity and increasing cooperation among Islamic countries in the true Islamic spirit of the brotherhood of mankind. In the light of challenges which the Islamic world faces today, Bangladesh underscored the need for an institutional arrangement to deal with emergencies arising during the long interval between the annual meeting of the Foreign Ministers and submitted a proposal at the ninth Islamic Foreign Ministers conference in Dakar in 1978 for frequent consultations among the Islamic countries.

In subsequent meetings, Bangladesh presented a proposal for the establishment of a standing committee of foreign ministers. The proposal was examined and in pursuance of the directives given by the Islamabad conference, an expert group meeting was held in Jeddah in 1980. The report of the expert group was considered by the twelfth Islamic foreign ministers conference in 1981 and the meeting directed the committee to further study the proposal and submit its recommendations to the forthcoming thirteenth Islamic foreign ministers conference due to be held in Niger in June this year.

Prof. Huq said that the belief of all muslims in the eternal principles of liberty, peace, justice, human dignity, fraternity, tolerance and compassion and "their

constant struggle against injustice reinforces their determination to establish just peace and harmony among peoples, to ensure respect for human rights, and to work for the strengthening of international organisations based on humanitarian principles and peaceful co-existence among nations".

New Age

He said, thus a new age would draw wherein relations between nations would be governed by principles and not by force, and wherein all forms of oppression, exploitation, domination, injustice, colonialism and neo-colonialism, as well as all kinds of discrimination on ground of race, colour, creed or sex would be banished for ever from this earth.

Ethical Decay

Prof Huq noted with sadness that despite all its materials and scientific and technological achievements "mankind today suffers from poverty of the spirit, from moral and ethical decay and societies are marred by inequities, economies are crippled by severe crises and international political order is in constant danger of destabilisation".

The foreign Minister said that the forces of evils were now on the march, multiplying the hot-beds of war, sowing the seeds of dissensions, threatening the security of the world, man's peace of mind and jeopardizing human civilisation.

He expressed the conviction that the ummah of one thousand million people, composed of various races, spread over vast areas of the globe and possessing enormous resources, fortified by its spiritual power and utilising to the full its human and material potential, could achieve an outstanding position in the world and ensure for itself the means of prosperity in order to bring about a better equilibrium for the benefit of all mankind.

Prof Huq said that "in fulfilment of the aspirations of our peoples, we shall intensify consultations amongst ourselves and complement and coordinate our endeavours in the international field in order to better defend our common causes and thus enhance our prestige and position in the world".

"We are equally determined to liberate our occupied territories, to support one another in defending our independence and territorial integrity, in vindicating our rights and in eliminating the injustices wreaked on our nation, depending on our own strength and firm solidarity" he said.

Prof Huq said that in order to fulfil various commitments "it is imperative to fill the vacuum now existing within the framework of the organisation of the Islamic countries. The present framework does not provide for any institutional set-up for consultations and action at an appropriate high-level except through the annual conferences of the foreign ministers or through the convening of extraordinary sessions".

The function of the proposed standing committee, Prof Huq said, would be to keep the international situation under review, intensify consultations and cooperation

among member-states and in the event of an emergency or crisis recommend to the member-states measures to be adopted in such a situation.

He expressed the hope that the expert group would consider the proposal before it, in its "correct perspective" and submit its recommendations to the forthcoming thirteenth foreign ministers conference for the immediate setting up of the proposed committee.

Sheikh Abbas Gazzawi, Director General (Asia and Africa), Saudi Arabia, who chaired the inaugural session while inviting Prof Huq to open the meeting said that the expert group was entrusted with great task in the context of Islamic Action.

CSO: 4220/7775

ISLAMIC CONFERENCE COMMITTEE MEETING ENDS

Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 1

[Text] The Bangladesh proposal for setting up of a standing committee of Foreign Ministers of Organisation of Islamic Conference was on Friday recommended by its expert group, reports BSS.

The group at the end of its three-day meeting in Dacca on Friday in a Press release said the experts agreed that the standing committee as proposed by Bangladesh would enhance the ability of the OIC to consider any emergency situation affecting the Islamic countries.

The group as per its mandate, will submit its report at the tenth Islamic Foreign Ministers' conference due to be held in Niger in June.

Making "appropriate recommendations" in its report on various aspects of the proposed standing committee the expert group agreed that it (the standing committee) would enable to respond speedily and in a more concerted and effective manner" to developments in the international sphere.

The meeting of the expert group comprising senior officials of Saudi Arabia, Iraq, Gambia, Indonesia, Pakistan and Bangladesh was held under the Chairmanship of Bangladesh Foreign Secretary Mr. Humayun Rasheed Chowdhury.

The Acting OIC Secretary-General Mr. M Arshaduzzaman also attended the meeting.

The group in its report agreed that current international situation underscored the need for strengthening Islamic unity and solidarity.

The present framework of the OIC, the experts felt in particular, does not provide an institutional set up for speed consultation and coordination at an appropriately high level.

The standing committee recommended by the expert group will equip the OIC institutionally for the tasks.

Constant review of the international situation developing a common Islamic position and collective response to assist one or more member-countries whose stability or security may be threatened due to sudden emergence of a crisis were imperativeness in a rapidly changing world the group felt in its report.

The group on Friday sent a message to the ailing OIC Secretary-General Mr. Habib Chatty conveying "sincere and best wishes" for his speedy and early recovery".

CSO: 4220/7780

IRANIAN ENVOY SPEAKS ON RELATIONS WITH DACCA

Dacca THE BANGLADESH OBSERVER in English 2 Feb 82 pp 1, 12

[Text] Mr Mahmoud Sadat Madarshahi, Charge D'Affaires of Iran in Dacca on Monday said his country's relationship with Bangladesh was excellent and growing reports BSS.

The Iranian envoy was addressing a Press conference at the Chancery in Dacca on Monday morning on the occasion of the "historic return of Imam Khomeini to the nation" culminating the victory of the Iranian Islamic revolution. February 11 next is the third anniversary day of the victory of Iranian Islamic Revolution.

Mr Madarshahi recalled the great role late Bangladesh President Shaheed Ziaur Rahman had played for the cause of bringing peace between Iran and Iraq as a member of the organisation of Islamic conference peace mission (OIC mission).

He reiterated his government's offer to the relatives of the 'prisoners of war of Iraq' to visit them (POWS) in Iran. He however regretted that this spirit of goodwill emanating from the principles of the Islamic revolution has not been reciprocated so far.

Answering questions, he said ceasefire could take place only after the evacuation of the Iraqis from the Iranian territory which they seized in bordering areas and in the desert. The strait of Hormuz is in 'our control and we are allowing ships of all except of the Iraqis to pass through", he said.

Mr Madarshahi told the newsmen that in response to a Bangladesh delegation's visit to Teheran beginning from Monday in connection with the Iranian national anniversary a 7-member goodwill delegation would be arriving in Dacca on February 10 led by ayatullah Jannati, a member of the Majlis-e-Shoora of Iran and a close associate of Imam Khomeini.

CSO: 4220/7788

FINANCE MINISTER RETURNS FROM BELGRADE MEETING

Dacca THE BANGLADESH TIMES in English 29 Jan 82 p 1

[Text] Bangladesh and Yugoslavia have identified new areas of cooperation in agriculture, communications and power sectors at the fourth session of the Joint Commission which concluded its deliberation Wednesday in Belgrade, according to a message received in Dacca on Thursday, reports RSS.

Finance Minister Saifur Rahman who led the Bangladesh side at the three-day meeting of the Joint Commission and proposed a number of projects in the three fields, in which the Yugoslav authorities agreed and assured about 50 million U.S. dollars to finance the projects during the SFYP. The Yugoslav Federal Secretary for Foreign Trade and Member, Federal Executive Council, Mr. Metod Rotar led his country's delegation at the Joint Commission meeting.

At the commission's meeting Mr. Rahman proposed that Yugoslavia would supply equipment and construct the 132 V power transmission line from Dohazari to Cox's Bazar, he also requested Belgrade to supply two 15,000 DWT ocean-going ships to Bangladesh and help her build a jetty to handle container ships, the message said.

In the field of agriculture, Bangladesh stressed her interests in the construction of two agro-industrial complexes in Sayar and Chandpur and sought Yugoslav assistance and cooperation. In this regard, the Yugoslav authorities which agreed with the list of Bangladeshi projects informed that appropriate steps to make the requisite finance for the projects would be made available at most favourable terms.

During his stay in Belgrade, Mr. Rahman had called on Yugoslav Prime Minister Mr. Veseling Djuranovic and Finance Minister Mr. Petar Ostic and held wide ranging discussions on further promotion of bilateral commercial, economic, scientific, technical and cultural cooperation between the two countries, certain topical international political and economic issues also feathered during Mr. Rahman's talks with Yugoslav leaders, the message added.

CSO: 4220/7777

SUMMARY OF FINANCE MINISTER'S SPEECH IN ROME

Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 5

[Summarized text of policy statement by Bangladesh Finance Minister M Saifur Rahman at the Fifth Governing Council Meeting of International Fund for Agricultural Development (IFAD) in Rome]

[Text] The establishment of IFAD is a landmark in the progress toward international understanding. It was based on a recognition by the international community of the imperative need to focus on the most fundamental problems of the developing countries, particularly, the poorest segment of their rural sector. It is our earnest hope that after addressing itself to the problems of setting up an organization, preparation of operation modalities, recruitment of qualified staff, evolution of work procedures and systems, etc. IFAD would fully devote itself to the fulfilment of its objectives of attacking the fundamental problems of hunger, poverty, and malnutrition. It is already poised for making the desired impact on the agricultural and rural development scene.

To the avowed goal of increasing food production aiming at achieving the objectives of removing hunger and malnutrition, *inter alia* requires IFAD's lending programme as also its disbursements to grow rapidly. Yet the commitment of resources so far received for IFAD's second cycle programme is too inadequate to make any significant contribution to the attainment of the objectives. A commitment at a level of a little over US \$1.3 billion during 1981-83 period as against the total commitment of \$870.2 million in the first three years of IFAD's operation does not reflect any growth in its lending programme in real terms. From our experience of the first three years of IFAD's lending programme, we apprehend that even this inadequate level of resource cannot be effectively utilised unless IFAD is allowed organisational freedom with flexible rules and procedures in conducting its day to day operations.

Our concern for adequate resources for IFAD and for giving it the desired freedom in terms of procedural and financial flexibility arises out of our own socio politico-economic situation and the expectation of IFAD's role in our development efforts. It may be in order to mention here that the question of availability of adequate food has been a matter of seriousness in Bangladesh for decades. After centuries of colonial exploitation soon after its independence in the decade of 70's had to confront the unprecedented turmoil, in the international trade finance and economic situation. Recurrence of natural calamities added further road blocks to our reconstruction endeavours. However through a determined stabilisation

programme, coordinated domestic effort, agricultural production started responding to the application of modern technology and inputs.

We launched our Second Five Year Plan from July 1980. One of the primary objectives of the plan is achieving self-sufficiency in foodgrains production. The Plan envisages substantial improvement in the fields of project preparation, appraisal design execution and monitoring. In the agricultural sector we have already drawn up a Five-Year programme with a portfolio of projects. We are grateful that IFAD's Special Programming Mission had looked into these documents and we should hope to receive continuous support of IFAD on our tasks.

Bangladesh under the dynamic leadership of late President Ziaur Rahman adopted an innovative approach to voluntary mass mobilization through political process. By motivating millions of rural population we have undertaken excavation and rehabilitation of the existing water sources purely on voluntary basis. This programme of canal digging which still continues with renewed vigour and enthusiasm, is bringing in a largely expanded area under irrigation. This voluntary mass mobilization efforts under the political direction of the Government started to pay dividends. In spite of the worst drought of the century hitting the country in 1978 and bad flood in 1980, we achieved a record increase in food production in the last fiscal year. This exceeded all our previous records and targets.

Our rather modest achievement in the agriculture sector has brought some financing and planning problems. Decline in the food import requirements as a consequence of increased domestic production has adversely affected our ability to mobilise domestic resources through a reduction in the counterpart funds. Government had to invest a substantial amount through bank borrowing in the procurement of foodgrains to provide incentive support to the farmers. Large investments were also required to constructing food storage facilities on an emergency basis. In addition to these difficulties food prospects in the current fiscal year have been seriously affected owing to a severe drought. We hope to overcome these difficulties through sustained domestic efforts and we hope to be reinforced by the support of the international community.

I would like to emphasize that international economic cooperation needs to be reoriented for more meaningful contribution to the efforts of the developing countries. I would like to refer to certain important issues relating to policy and operational procedure of IFAD. We hope that this will receive due attention of this august forum:

(A) The overriding priority in designing IFAD projects must not deviate from the foremost objectives of increasing food production. Efforts should also be made not to complicate projects designs and avoid delay in implementation.

(B) We feel that due weightage should be accorded to population distribution between countries. This is a requirement under IFAD's charter and no deviation should be made from this objective.

(C) Under the provisions of the agreement establishing IFAD it has to use the services of other international institutions for the appraisal of projects and programmes. It is time that we review this impediment and enable IFAD to develop its own capabilities for appraisal.

(D) The agreement also provided that where appropriate IFAD may use the services of other competent agencies specialized in this field. I would advocate that the management gives active consideration to using competent national institutions for appraising projects.

(E) In view of the constraints faced by the poorest countries in mobilizing domestic resources an increased share of local cost financing should be provided for projects concerned with increasing food production.

(F) Rules and procedures required for smooth implementation of projects need to be finalized quickly. Special emphasis should be given on early conclusions of procurement procedures.

(G) We feel that IFAD should increasingly use more experienced LDC managers and experts in the design and implementation of projects.

IFAD has been assigned one of the most priority tasks of our time. It can contribute to the eradication of hunger and malnutrition from the face of the world only if the international community as a whole match their declared commitment with practical actions. IFAD has already given an excellent account of itself. It is now our duty to extend all support and assistance to further strengthen the organization.

CSO: 4220/7780

ANNIVERSARY OF RELATIONS WITH MOSCOW OBSERVED

Dacca THE BANGLADESH OBSERVER in English 29 Jan 82 p 1

[Text] Minister for Jute and Textiles Professor Mohammad Yusuf Ali on Thursday said the friendly relation and co-operation between Bangladesh and Soviet Union would be further consolidated in the future. He said Bangladesh was committed to world peace and all its endeavours in international forums were directed towards peace, progress and stability of mankind.

The Minister was addressing a function at the Shishu Academy Auditorium in celebration of the 10th anniversary of the establishment of diplomatic relations between Bangladesh and Soviet Union organised by Bangladesh-Soviet Friendship Society.

Recalling late President Ziaur Rahman's efforts for regional co-operation, the Minister said the proposed association on South Asian states was gradually taking shape and expressed the hope that it would promote understanding, friendship and amity among the peoples of South Asia.

Professor M. Yusuf Ali recalled the close co-operation of Soviet Union in the fields of trade and technological assistance extended to Bangladesh after its liberation.

Presided over by Begum Sufia Kamal, the function was addressed by Mrs A. T. Lavientieva, Deputy Minister for light industries of Soviet Union; Mrs. M. E. Khristoforova, Staff Member of Soviet Womens Committee and Soviet Ambassador to Bangladesh Mr. Stepanov.

CSO: 4220/7776

SOVIET DEPUTY MINISTER TALKS TO DACCA PRESS

Dacca THE BANGLADESH TIMES in English 31 Jan 82 pp 1, 12

[Text] Madam Alla Lavrentyeva, leader of a two-member Soviet women delegation on Saturday said that the Soviet Union would continue to strive for the preservation and promotion of international peace through developing and consolidating her relationships with all countries of the world including Bangladesh.

Addressing a press conference at the USSR Press Information Department, Madam Eva expressed her satisfaction over the growing relationship with Bangladesh in all field for mutual benefits and advantages of both the countries.

Madam Alla Lavrentyeva arrived Dacca on last Monday at the invitation of Mahila Parishad. Madam Eva is also the Deputy Minister of Light Industries of USSR and member of the Presidium of Soviet Women's Committee.

The Soviet Deputy Minister said that she was glad to know that her visit had coincided with the observance of the 10th anniversary of the establishment of diplomatic relations between the Soviet Union and Bangladesh.

The delegation had meetings with the Minister for Jute and Textile Prof. Yousuf Ali and the State Minister for Women's Affairs, Begum Taslima Abed and held fruitful discussion on matters relating to mutual co-operation.

CSO: 4220/7785

BANGLADESH

FOREIGN MINISTER SPEAKS ON SRI LANKA ANNIVERSARY

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 pp 1, 12

[Text] Foreign Minister Prof. M. Shamsul Huq said in Dacca on Thursday that the existing cordial relations between Bangladesh and Sri Lanka would further be strengthened in all fields, reports BSS.

He was speaking at a reception held on Thursday evening by the Sri Lankan High Commissioner and Mrs Charita Ranasingha on the occasion of the 34th anniversary of the National Day of Sri Lanka.

The Foreign Minister said both Bangladesh and Sri Lanka would meaningfully cooperate for furtherance of the bilateral relations and also for promotion of cooperation among them at various international and regional forums. He also wished the progress and prosperity of the people of Sri Lanka and good health to President J. R. Jayewardene.

The High Commissioner Mr. Ranasingha reciprocated the sentiment expressed by the Foreign Minister and said that Bangladesh and Sri Lanka as Third World countries and members of Non-aligned Movement had common approach to different international issues and problems. He reiterated his country's desire to further strengthen the bilateral relations with Bangladesh.

The reception was attended, among others, by some other Ministers, high officials, diplomats and elite of the city.

CSO: 4220/7791

ACTIVITIES OF VISITING DPRK DELEGATION REPORTED

Arrival in Dacca

Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 8

[Text] A seven-member delegation of the Workers Party of Korea arrived in Dacca on Friday on a five-day goodwill tour at the invitation of the Bangladesh Nationalist Party, reports BSS.

The delegation headed by Mr. Kim Young Nam, member of the Politbureau and Secretary of the WPK, was warmly received at the airport by leaders of BNP including State Minister for Foreign Affairs, Mr. Jamiruddin Sircar and Barrister Nazmul Huda.

In a brief welcome ceremony Mr. Kim said that there existed very precious and magnificent friendship and cooperation between Bangladesh and the DPRK. He said that the people in DPRK considered Bangladesh and the BNP as one of their closest countries and parties.

The leader of the delegation thanked the BNP leaders for the warm and brotherly hospitality accorded to them and said this was a testimony of the close ties and cooperation between the two countries. He hoped that their current visit to Bangladesh would lead to strengthening of the existing ties between the DPRK and Bangladesh.

Earlier, in his welcome speech Mr. Jamiruddin Sircar, who is also member of the BNP Standing Committee recalled the frequent exchange of visits at various levels between the two countries and said that the strong bonds of friendship and cooperation between them would continue to grow in the coming days. He expressed the hope that the WPK and the BNP would work in close cooperation in different international forums.

Among those present at the airport to welcome the delegation were Mrs. Farida Rahman, Kazi Golam Mahboob, Mr. Ferdous Ahmed Qureshi, Mr. Julmat Ali Khan, Mrs Hamida Ali and Mr Harunur Rashid. A group of children wearing colourful clothes also greeted and garlanded the members of the delegation at the airport.

The DPRK Ambassador Mr. Chong Tae Gun and Embassy officials and their families were also present at the airport to welcome the delegation.

Mr. Kim along with members of the delegation visited the Mazar of Late President Ziaur Rahman at Sher-e-Bangla Nagar and later paid a courtesy call on Begum Khaleda Zia at her residence.

Meeting with Foreign Minister

Dacca THE BANGLADESH OBSERVER in English 2 Feb 82 p 3

[Text] The visiting five-member delegation of Democratic People's Republic of Korea (DPRK) called on Foreign Minister Prof. M. Shamsul Huq at the Foreign Office on Monday morning, reports BSS.

Prof. Huq and the DPRK Workers' Party delegation exchanged views on various matters of mutual interest and discussed "possibilities of increasing" cooperation in economic and cultural fields, Foreign Office sources said.

Cordially receiving the delegation the Foreign Minister said the present government would continue to follow the path charted out by the late President Ziaur Rahman both in internal and external policies as announced by the newly elected President Abdus Sattar.

Mr. Kim Yong Nam, Politbureau member and Secretary of Workers' Party of DPRK who is leading the delegation expressed the hope that relations between the two countries would continue to grow from strength to strength.

Paying tributes to the late President Zia, Mr. Kim said he was still remembered by the people of DPRK with "great esteem" because of the impression he created "as a statesman and leader with dedication and far sighted vision" during his visit to DPRK.

BNP Mohila Dal

BSS adds: The seven-member delegation from the Workers' Party of North Korea led by Mr. Kim Young Nam, visited the office of Jatiyatabadi Mohila Dal in Dacca on Monday.

According to a Press release, the delegation held discussions with the members of the Mohila Dal about the different activities of the dal.

Among others, Dr. Amina Rahman, Chairman of the Mohila Dal, State Minister Begum Quamrunnahar Zafar and Begum Farida Rahman, MP were present on the occasion.

Delegation Departs

Dacca THE BANGLADESH TIMES in English 3 Feb 82 pp 1, 8

[Text] The visit of five-member delegation of the Workers' Party of the Democratic People's Republic of Korea (DPRK) to Bangladesh has made "a meaningful contributing" in further developing existing "closer cooperation" between the two countries and the two peoples.

This was stated by Mr Kim Yong Nam, leader of the delegation and member of Politbureau and Secretary of Central Committee of Workers' Party of Korea at a press conference on Tuesday afternoon at Sonargaon Hotel. The delegation which arrived in Bangladesh on January 29 left Dacca on Tuesday evening.

Mr Kim said that relation between DPRK and Bangladesh was "very significant and meaningful". This friendship and cooperation between the two countries was built under the leadership of late President Ziaur Rahman of Bangladesh and their leader Kim Il Sung, he said.

The leader of the DPRK delegation said that his delegation was pleased to see that people of Bangladesh were trying to consolidate its independence and prosper economically following 19-point programme of late President Ziaur Rahman under the leadership of President Abdus Sattar and Bangladesh Nationalist Party. He said that they were convinced that people of Bangladesh would succeed in their efforts.

Mr Kim said that despite being a developing country itself and not rich enough, his country was fully prepared to help and assist Bangladesh in its development efforts.

He said that the prospect of expanding the areas of cooperation between the two countries was bright. During his meetings with Bangladesh leaders his delegation had agreed to further promote cooperation in various fields including political, economic, cultural and science and technology.

Mr Kim said that his delegation called on President Abdus Sattar, Prime Minister Shah Azizur Rahman, Speaker Mirza Golam Hafiz, Foreign Minister Prof Shamsul Huq and met other government and BNP leaders and exchanged views and experiences with them.

The leader of the DPRK delegation explained his country's stand on the question of reunification of two Koreas and said that it should be achieved democratically and peacefully without the interference of any foreign power.

KWP, DPRK Meeting

Dacca THE BANGLADESH TIMES in English 3 Feb 82 p 8

[Text] A high level conference was held between the Workers Party of Korea and the Bangladesh Nationalists Party (BNP) at the BNP Secretariate on Tuesday, according to a press release.

The leaders of the respective parties exchanged views on various matters of mutual interest and pledged continued cooperation on the basis of the spirit of friendship and amity.

Expressing firm commitment to the principle of non-alignment both the parties expressed their determination to further the cause of the movement of non-alignment, the press release said.

The BNP side was represented by Mr. Jamiruddin Sircar MP, Member of the BNP Standing Committee, Barrister Nazmul Huda, Member BNP National Standing Committee, Mrs Farida Rahman, BNP Vice-Chairman, Kazi Golam Mahbub, BNP Vice Chairman and Mr Harunur Rashid, BNP Secretary in charge of International Affairs while the Korea side was represented by Mr Kim Yong Nam, Member of the Politbureau and Secretary of the Central Committee of Workers Party with four other leaders of the central committee.

SATTAR PROMISES INCENTIVES FOR FOREIGN INVESTORS

Dacca THE NEW NATION in English 2 Feb 82 pp 1, 8

[Text] President Abdus Sattar yesterday opened a four-day 'Investors' Forum' with the promise of substantial government facilities and incentives to the foreign investors who will undertake industrial ventures in Bangladesh.

He told over 280 entrepreneurs, including 107 from 24 foreign countries that his government is providing full guarantee to foreign investment and ensuring a reasonable return for investment.

The President called upon the investors of both developing and developed countries and their business community to avail of the investment opportunities in Bangladesh on the basis of mutually beneficial cooperation.

The inaugural session of the forum held at Hotel Sonargaon was also addressed by Industries Minister Jamaluddin Ahmed UNIDO representative A. H. Khouadja.

It was followed by a Talking Session participated by chamber leaders, local industrialists and senior officials.

Bilateral discussions on 70 projects placed before the investors held in the afternoon will continue till February 4.

The forum was sponsored jointly by Bangladesh Government and UNIDO.

The President said an infrastructure has been built for economic development with whatever assistance received from the friendly countries. "We are committed to build up the country's economy on the foundation laid by late President Ziaur Rahman and we realise that without a substantial industrial potential our economy will continue to remain subservient to other nations," he added.

He said in recent years the investment policy has been progressively liberalised and measures taken to offer substantial incentives and facilities for investment in industries.

In this connection the President said considerable progress has been achieved in the last few years when nearly 6,000 new industrial units were accorded permission since 1976.

Yet the vast material and human resources are still lying unutilised or under-utilised for constraints of capital resources and management and technical skill.

"We are today facing a bewildering situation where official international aid flows have slowed down the deficit of our balance of payment has been increasing at a much faster rate. This is bound to happen to a newly developing economy."

The President laid importance on the worldwide business community in providing capital and technology to the developing countries. "Your participation in the forum is a manifestation of your brotherliness and friendship with us. We believe in international interdependence and we are committed to mutual international cooperation in economic activities."

Recalling the past the President said the First Five-year Plan met with vicissitudes in the early of independence and the people's expectation and aspiration for a better life remained unfulfilled. During that period private sector industrial development could not make any headway as the government pursued a policy in which the role of private sector was restricted.

"The destiny of the people was locked into uncertainty", he said.

But the situation has now changed with the coming of a dynamic and pragmatic policy encouraging the participation of the private sector in economic development.

President Sattar expressed the hope that the Forum will provide an opportunity for an open hearted negotiation for all and it will be a base for formulating developing and finalising mutually beneficial business agreements on the principle of mutual understanding, respect, confidence and interest.

Explaining the objective of the forum, Mr. Jamaluddin Ahmed said this should be made known regionally and internationally that Bangladesh has economic investment potentialities. The rich natural endowments, vast human resources and as also its geographical location make it a natural choice for investment in industrial enterprises.

Bangladesh has natural resources and labour he said and added what is needed most is capital and technology.

He assured that the partnership for sharing each others resources that will emerge out of the bilateral discussions will have full support of the government.

UNIDO representative Mr H Khouadja said industrialisation of developing countries requires resources far beyond the potentials of domestic savings in the least developed ones like Bangladesh.

He said UNIDO estimated that the annual amount of the investments in industry should gradually increase to ten-fold by the end of this century. Financial resources from multilateral institution and direct foreign investment can by no means meet all the needs of developing countries, he added.

Mr. Abdur Rahman Khane executive director of UNIDO, also sent a message wishing the Forum meet a success. In his message Mr. Khane lauded the pragmatic investment

policy pursued by the government and expressed the hope that this policy will accelerate the pace of industrial growth in Bangladesh by augmenting and supplementing the national resources with additional resource and technology in flow in Bangladesh. He also assured the government of the UNIDO's wholehearted support for and cooperation in fulfilling the laudable objective of industrializing Bangladesh.

The message was read out by UNIDO adviser and former secretary ministry of industries Mr. Matiul Islam.

Later in the first plenary session, industries secretary Mr. A. B. M. Golam Mustafa, member of the Planning Commission in charge of industries Mr. S. M. Al-Hossainy, Governor of Bangladesh Bank Mr. Nurul Islam, Chairman, National Board of Revenue Mr. Azizul Huq, spoke on industrial policy and priorities as well as monetary and fiscal policy measures.

President of the Federation of Bangladesh Chambers of Commerce and Industry Mr. Nuruddin Ahmed and President of the Metropolitan Chamber Mr. Morshed Khan and managing directors of the three renowned multi-national companies Bangladesh Tobacco, Pfizer Laboratories and Bangladesh Oxygen L.d. gave a brief talk on the investment climate in Bangladesh.

Assuring the foreign private investors Mr. Golam Mustafa said that government has no intention to nationalise the foreign private industrial undertakings. To promote the foreign investment and to protect the investors an act was passed by the Parliament in 1980.

Mr. S. M. Al-Hussainy dwelt at length on development strategy. He, however hoped that further policy packages can be made in order to provide effective protection to domestic manufactures promote export oriented outward looking industrialisation and allowing more and more prominent role for the private sector.

Governor of Bangladesh Bank in his talk on overview of the financial infrastructure, exchange system and monetary policy said that government is pursuing a favourable exchange rate policy by correcting over valuation of taka under currency weighted basket method without any delay. He said there virtually exists no restriction in repatriation of the royalty and capital gains. Fifteen to 50 per cent dividend declared by some foreign companies were safely transferred their remittable saving.

Mr. Azizul Huq briefly described the fiscal incentives provided by the government including tax holiday.

Mr. Nuruddin Ahmed lauded the government for assigning due role provided to the private sectors.

Mr. Morshed Khan said that Bangladesh has made appreciable strides in the economic field during the last six years. The growth potential improved since 1976 and the country is well poised for an orderly development.

CSO: 4220/7789

IMPORT PROGRAM IMPLEMENTATION EXPEDITED

Dacca THE BANGLADESH OBSERVER in English 3 Feb 82 pp 1, 12

[Text] The issuance of licences under the import programme for 1981-82 has, of late, been expedited with an improvement in the overall funding arrangements for the import trade. According to official sources, the availability of funds both under Cash and Commodity Assistance has now made it possible to overcome by and large the initial slacks in the import trade sector during the current financial year. Resource constraints, to mention here had earlier caused delays in issuance of import licences at the beginning of the fiscal 1981-82.

The licences worth more than half of the targeted amount of funds under the commodity assistance have already been issued, according to available indications. Of the total allocation of Taka 2,950 crore under the current year's 530 crore import policy, a sum of Taka 530 crore i.e. roughly about 17.97 per cent were projected to come from commodity assistance. The informed sources told this Correspondent that the availability of funds under commodity assistance during the current year might exceed the original target in nominal terms by about Taka 50 crore.

Under the current year's overall import policy, an amount of Taka 1,550 crore i.e. about 52.54 per cent of the total allocation were to come from Cash Resources. The cash allocation as such includes provision for import of Petroleum Oil and Lubricants (POL) as well. The import bill on account of POL was estimated in the import policy at around Taka 850 crore. The licences for non-POL imports have so far been issued for more than one third of the origins' provision for such imports out of cash resources, according to informed sources.

The imports under Wage Earners Scheme (WES) have meanwhile shown a further uptrend during the first six-month period of the current financial year, ending in December, 81. If such trends persist, the overall imports under WES, as the knowledgeable circles point out, would exceed the original provision under it at Taka six hundred crore for 1981-82. The actual level of imports under the WES in the preceding fiscal year, 1980-81, stood at Taka 480.47 crore which was about 18.87 per cent of the overall actual import utilisation of Taka 2546.46 crore for the year.

The performance under barter trade has so far been up to the mark considering the initial problems faced in the import trade sector during the current financial year. It was projected in the import policy for 1981-82 that the imports under

barter would be around Taka 220 crore i.e. about 7.46 per cent of the total import allocation for the year.

Apropos the country's import trade in 1981-82, what is particularly distressing is the continuing uptrend in the prices of import goods in the world markets. This factor may alone adversely affect the overall physical availability of imported goods despite the fact that the allocation in financial terms has been made for the year, 1981-82 at a level substantially higher than that of the last year, the knowledgeable circles not. They further observe that the upward adjustments of taka exchange rate effected during the last few months, would erode the real worth of original import allocation in taka terms for the current financial year. Such adjustments are bound to lead to higher import costs in taka terms they added.

CSO: 4220/7790

AGRICULTURAL BANK DIRECTOR VISITS DACCA

Asian Development Bank Loan

Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 1

[Text] The Asian Development Bank (ADB) is expected to give Bangladesh about 210 million U.S. dollars as soft loan for 1982, Mr. B. Soekmono the visiting Director of Agricultural and Rural Development Department of the Bank, said in Dacca on Friday.

He said a programming mission from the Bank would arrive in Dacca early next month to discuss the details of the programmes for which loan was sought and scrutinise fund requirements for the projects.

In an interview with BSS prior to his departure for Manila Mr. Soekmono said being the biggest recipient of ADB soft loan, Bangladesh was an 'important country' to the Bank. Mr. Soekmono arrived in Dacca Tuesday leading a five-member team.

Describing the visit as a 'familiarization trip', the Director of the Bank said he had come to have a first hand knowledge of the role ADB was playing in the development of agriculture and rural sectors in Bangladesh and the problems in the implementation of the Bank aided projects. Last year, the Bank provided 190 million U.S. dollars to six projects in Bangladesh.

During his stay in Dacca Mr. Soekmono had meetings with a number of officials connected with ADB activities and made two field trips. He also had discussion with officials of Bangladesh Krishi Bank, the institution receiving substantial amount of ADB fund on credit operations. The Krishi Bank is expected to receive 40 million U.S. dollars next year as the third loan from ADB, the Director of the Bank added.

Dacca Office Planned

Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 1

[Text] The first regional office of the Asian Development Bank (ADB) is expected to be opened in Dacca some time in the middle of the current year, Mr B M Soekmono, the visiting Director of the Agricultural and Rural Development Department of the Bank said in Dacca on Friday.

In an interview with BSS he said the ADB acknowledged the need for such a regional office in Bangladesh since this country was the "biggest recipient" of the Bank's soft loan. The decision to open the "experimental" regional office was taken for the Bank consider Bangladesh as an "important" country for its operations, he said. The decision to open the office showed the Bank's continued interests "in the overall development of Bangladesh Mr Soeksmono said.

He said the Bank was "committed to the development of Bangladesh and added that the regional office would help expedite the process of activities related to disbursements and others if proved successful, similar regional offices will be opened in other member countries he added.

Mr Soeksmono arrived in Dacca Tuesday heading a five member ADB mission for a familiarization trip to Bangladesh. He left Dacca on Friday night for Manila.

CSO: 4220/7780

FOOD MINISTRY REPORTS RISING DEFICIT IN SUPPLY

Dacca THE NEW NATION in English 30 Jan 82 pp 1, 8

[Article by Kazi Montu]

[Text] The Government has so far succeeded in lining up roughly 10 lakh tons of foodgrains against an officially estimated shortfall of 22.65 lakh tons.

The current efforts by the Government to procure the remaining bulk of the foodgrains are yet to receive positive response from the agencies and countries which were recently approached.

According to a report of the Food Ministry, out of 10 lakh tons of foodgrains so far lined up for import a quantum of two lakh tons was the backlog of a PL-480 commitment for 1980-81.

Commitment of 5.29 lakh tons of wheat was received earlier for the current fiscal year from Canada, EEC and the World Food Programme.

A quantum of 4.93 lakh tons of foodgrains has been projected to be imported from Australia, the USA under PL-480, France, Japan, the World Food Programme and FRG under grant. The Finance Ministry is trying to get assurance from them.

Production loss of foodgrains due to the drought beginning in last October has been estimated in the report of the Food Ministry to be about 13 percent. The drought has also largely affected the current year's production of wheat.

Consequently, during the last July-December period the internal procurement of foodgrains was far below that of the corresponding period of the last fiscal year.

The quantum of Aus paddy procured in the first six months of the current fiscal year was only 20,000 tons as against 87,000 tons of the corresponding period of the last year, Boro 1,44,000 tons as against 211,000 tons, wheat 12,000 tons as against 25,000 tons and Aman 90,000 tons as against 138,000 tons.

The cumulative releases of rice and wheat from the government stocks during the last July-December period stood at 3.87 lakh tons and 5.42 lakh tons respectively as against 2.44 lakh tons of rice and 4.53 lakh tons of wheat released during the previous year.

The total off-take during the current fiscal is projected to be in order of 19.30 lakh tons compared to 15 lakh tons in the last fiscal year.

The month-end government stock level is decreasing alarmingly. In last September it was 1374,000 tons, which is 64,000 tons above the corresponding month of the last fiscal year, while the stock sharply declined in last October to 13,10,000 tons which is 20,000 tons below that of the corresponding period of last fiscal year.

In last December the stock sank to 12,14,000 tons which is below 59,000 tons recorded in December of 1980-81.

The stock of foodgrains has been projected by the Food Ministry to be 11,99,000 tons in February but it was recorded at 14,23,000 tons in the corresponding month of the last fiscal year. The stock is projected to be 11,24,000 tons in April.

In this situation the officials of the Food Ministry are apprehending a critical food situation in the coming months unless the shortfall is met on the emergency basis.

Prices of paddy, rice and wheat have kept on going up. Following the drought the prices of foodgrains started increasing from early October.

It is apprehended that the prices will further rise in the coming months since in many parts of the country foodgrains have become scarce and the situation is fast spreading to other parts of the country.

CSO: 4220/7783

TEXT OF FOOD MINISTER'S 4 FEB RADIO ADDRESS

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 pp 1, 12

[Text] Food Minister Mr. Abdul Momen Khan on Thursday dispelled rumours on food shortage in the country and asserted that there was practically no food deficit for the current year reports BSS.

Addressing the nation over radio and television the Minister gave detailed statistics of the present food position and said from these accounts it was clear that in spite of the crop damage there was no chance of food shortfall in the current fiscal year to meet the demands of the people.

The Food Minister noted that Aman crops were damaged in certain areas due to drought at the end of last Aman season. Earlier production of Aus paddy was less due to excessive rainfall he added.

He further said that the quantum of supply of rice and paddy in the market fell due to fall in the production of two successive crops. But the effect of low-production on the prices in certain areas had been more than what it should have been actually and this resulted in creating some concern among the people about the country's food production and shortage. This has also found reflection in different newspapers consequently confusion had been created in certain sections breeding a lot of rumours.

Giving a detailed picture of foodgrain production Mr Abdul Momen Khan said that during 1981-82 a total of one crore and 50 lakh tons of foodgrains were estimated to be necessary for the nine crore and 20 lakh people of the country. The food production during the current fiscal year is now expected to be about one crore and 43 lakh tons in view of damage caused to Aman crop and low-production of Aman paddy considering percent of the production for seeds and other sectors. Total of one crore and 29 lakh tons of foodgrains were estimated to be available for the people leaving a shortfall of 21 lakh tons, he said.

The Food Minister said that in the beginning of the current fiscal year 12 lakh and 20 thousand tons of foodgrains were stored at different godowns. Besides about 5 lakh and 40 thousand tons of foodgrains were imported as food aid from abroad till December 31 last. Against the total deficit of 21 lakh tons a total of 17 lakh and 70 thousand tons of foodgrains had been mobilised taking into account last years' reserve and the quantity already imported.

In addition to this, he said arrangements have been finalised for the import of additional 5 lakh and 63 thousand tons of foodgrains from different sources within the current fiscal year.

As a result there would be practically no shortage of food during the current fiscal year, he said.

Text of Speech

Following is the full text of the Food Minister's speech:

Bismillahir Rahmaniir Rahim.

Dear countrymen, Assalamualaikum

The Aman crop had been damaged in certain areas due to drought at the end of last Aman season before that. Because of excessive rain the volume of production of Aus paddy was also less to some extent.

As the two successive crops fell short of expectation particularly due to the damage caused to the Aman crop resulting in the fall of supply of paddy and rice in the market. As a result there has been a rising tendency in the rice price. But the effect of low production on the price situation has been in certain areas more than what it should have actually been and this had created some concern among the people about the country's food production and shortage. This has also been reflected in different newspapers. As a result confusion had been created in certain sections and lot of rumours are being spread. In this context it is more imperative to explain before the people a complete picture relating to country's food situation.

During 1981-82 a total of one crore 50 lakh tons of foodgrain was estimated to be necessary for the 9 crore 20 lakh people of the country. The food production during the current fiscal year is now expected to be about one crore 43 lakh tons in view of the damage caused to Aman crop and also because the Aus paddy harvest was not up to the expectation. Allowing 10 per cent for seeds and other sectors a total of one crore 29 lakh tons of foodgrains is estimated to be available for the people. This would leave a margin of 21 lakh tons compared to the total requirement. This shortfall apparently might look a little more but in fact there is no reason to be so much concerned.

At the beginning of the current fiscal year there were 12 lakh 30 thousand tons of foodgrains stored in Government godowns apart from this about five lakh 40 thousand tons of foodgrains were imported as food aid from foreign countries till December 31, 1981. As a result it appears that compared to total deficit of 21 lakh tons a total of 17 lakh 70 thousand tons of foodgrains were mobilised taking into account the last year's reserve and the quantity already imported.

In addition to this arrangements have been finalised for import of additional five lakh 63 thousand tons foodgrains from different sources within the current fiscal year as a result it could be seen that practically there is no shortage of food for the current year.

However the question now is to build up some food reserve for the future. The objective of the Government is to build up a buffer stock of at least 12 lakh tons of food at the end of the current fiscal year and with that end in view steps are being made to procure more food aid from abroad. The internal food procurement was also being carried out simultaneously with import from outside. Till January 31 a total of two lakh 88 thousand tons of foodgrains including Aus, Aman and Boro were procured from local markets and stored in Government godowns. Even despite low production during current season more than one lakh 10 thousand tons of paddy and rice were purchased so far.

CSO: 4220/7791

JUTE MINISTER OPENS BANGLADESH-EEC WORKSHOP

Dacca THE BANGLADESH OBSERVER in English 28 Jan 82 pp 1, 12

[Text] Prof. Yusuf Ali, Minister for Jute and Textiles, urged the participants of the Bangladesh-EEC workshop on jute products on Wednesday to identify the problems faced by jute products and to suggest remedial measures to save the industry. The useful contributions which the workshop would make could help promote the world jute economy, he hoped.

While inaugurating the workshop jointly organised by Bangladesh and EEC at a local hotel on the day, Prof. Yusuf Ali said that the economy of the developing countries was vitally linked with the export of this commodity.

The present economic recession in the west particularly in the United States of America, has adversely affected the jute industry of the world in general and Bangladesh jute industry in particular the Minister viewed. The present workshop has been organised at a time when deliberations on the problems facing the jute industry are most needed to find an answer to the problems, he said.

Expressing the hope that exchange of ideas, experience and outcome of the workshop would be of mutual benefit the Minister said that Bangladesh attached much importance to the research work of jute and jute goods for the promotion of jute economy.

Mr. Manjur Murshed, Chairman, Bangladesh Jute Mills Corporation, said that about 2 lakh people are working under the BJMC and about 50 per cent of the export earning comes through this organisation. This organisation is facing insurmountable problems at present, he said. He said that EEC is an ideal market for tufted carpets of BJMC and it was second to the USA.

The export of jute and jute goods was not up to expectation and the spinning production of jute which was 350,000 tons in 1970 declined to 110,000 tons 1980, he regretted. Jute has been facing hard competition from man-made fibres and this workshop would find out ways and means to fight this competition, he hoped.

Mr. Vanroya, Belgium Ambassador, in his speech said that the man-made fibre is like an artificial flower compared to jute fibre. He said that fruitful ideas would emerge from the workshop.

Mr. J. C. Jacquemin, Resident Representative of EEC in Bangladesh said that exchange of information for publicity of jute and jute goods would benefit

Bangladesh as well as consumers of EEC countries. Jute experts of Bangladesh and EEC countries participating in the workshop presented some papers at the working session of the workshop on the day.

Mr. Jalal Ahmed, ex-Chairman of BJMC, in his paper said that the total export of jute goods from Bangladesh in 1980-81 were about 5,00,000 metric tons of which CBC was 75,000 tons, that is 15 per cent of the total export volume. Dwelling at length on different stages of use of jute goods in different countries Mr. Jalal Ahmed said that once jute carpet-backing cloth was very popular and in high demand in America and Canada.

CSO: 4220/7774

BANGLADESH

BANGLADESH-EEC JUTE WORKSHOP CONCLUDES

Dacca THE BANGLADESH TIMES in English 3 Feb 82 p 1

[Text] The week-long Bangladesh EEC workshop on jute products which concluded in Dacca on Tuesday recommended an action plan aimed at promoting Bangladesh jute goods to the European Economic Community (EEC), reports BSS.

The action plan based on discussions during the workshop identified jute yarn, hessian, carpet and carpet backing cloth (CBC) as the main products which had potential market in Europe. On the subject of jute yarn, emphasis was given on the quality aspects of the products. The need for producing 'right type yarn' and informing the European Trade and Carpet Industry with full specification was underlined in the action plan.

ENA adds: speaking on the occasion, Deputy Minister for Jute and Textiles Mr Ruhul Amin Hawlader said, "The success or failure of the workshop will depend on whether the deliberations made at the work registered a sharp increase due to recent closing down of many jute spinning industries. In 1980 alone, only three countries--UK, Belgium and West Germany imported nearly 34,000 tons.

It was suggested that to increase export of yarn, the in-shop could be implemented".

He pointed out that export of jute products to EEC countries was not adequate and called for increasing the volume of exports in order to secure the due position of Bangladesh jute goods in the international market.

The EEC representative in Bangladesh spelled out the various measures taken by the EEC headquarters for the improvement of jute goods. He said it has earmarked forty thousand dollars for the purpose. Jute goods of Bangladesh he said, are superior in quality but he suggested these should be improved further because the world market is competitive.

He also mentioned the delay of shipment from this end and hoped the officials concerned would consider this.

Suggestions

There is a great scope for marketing jute yarn in Europe where demand for the product dustry should be technically developed with help from the industrialised countries. [as published]

The workshop suggested that the blending of jute yarn with nylon and rayon could serve the purpose of market expansion and projects on twistless yarn should be followed up. Besides, the need for maintaining a stable price of jute yarn was stressed.

Hessian which constituted a major European import from Bangladesh nearly one lakh tons per year had still a big future against synthetics. The workshop observed while emphasised the need for fulfilling the buyers' specifications.

The workshop gave special attention to the marketing aspect of carpet backing cloth (CBC) in Europe and the action plan suggested that a commercial sort of warehousing facility should be built up at Antwerp or another viable location.

CSO: 4220/7781

'NEW NATION' INTERVIEWS JUTE ASSOCIATION HEAD

Dacca THE NEW NATION in English 29 Jan 82 pp 1, 8

[Text] Bangladesh has lost to its competitor a major market of jute goods in the US because of her "rigid price policy" said Mr Pierre Blondeau, who is participating in the current workshop on jute products.

Mr Blondeau, president of All European Jute Goods Association, in an interview with THE NEW NATION yesterday said, despite recession the US buyers imported quite a good quantity of carpet-backing cloth (CBC) from India because of flexible price.

Bangladesh failed to sell a single ton during the last three months because of her rigid policy, he added.

He said under normal circumstances Bangladesh's sale of CBC to US during these three months would have been worth 10 million dollars. India took the advantage of your wrong policy Mr. Blondeau added.

"BJMC which exports about 90 percent of its carpet-backing cloth to the United States remained completely out of the American markets since November last year" he said.

The American traders have been waiting for the refixed price of the CBC to be announced by the Bangladesh Government, he said adding that "a fair amount of the products can be expected to be sold providing the price is competitive."

Mr. Blondeau, who is also the president of American Industries Inc said that Bangladesh Shipping Corporation also suffered a huge loss because of its deprivation of shipment of CBC in last three months.

Meanwhile, most of the CBC plants in the country including that of the Adamjee Jute Mills have been shut down following huge stock piling of the product. The BJMC, however, admitted that only 12 CBC mills have so far been temporarily closed.

Having failed to sell its product in the United States, the BJMC is holding the current workshop on jute products in collaboration with the EEC countries in search of new markets of the CBC in Europe.

But Mr. Blondeau pointed out that Bangladesh would have to change its way of trading if she wanted to sell its product in Europe. Showing difference between Europe and American markets, he said BJMC would have to be more "flexible" in terms of making the price of its products competitive.

"Unlike the BJMC, India is more flexible in case of refixing the price of its exportables keeping consistence with the international currency", Mr Blondeau said. He suggested that Bangladesh would have also to keep a constant reserve so that she could offer her commodities when the Europeans were in the markets.

Calcutta exports about 25 per cent of its carpet backing cloth to the European markets while the export of Bangladesh CBC to Europe is only four per cent. "It is not the quality of products but the way of trading," the president of the All European Jute Goods Association commented.

CSO: 4220/7779

ACCORD REACHED ON 12 JOINT VENTURE PROJECTS

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 p 1

[Text] In nearly a dozen fields of industrial ventures, understanding between foreign participants and local parties were reached during the four-day investors forum which concluded in Dacca on Thursday, Industries Secretary A. B. M. Ghulam Mostafa said, reports BSS.

He said the understanding were the results of 300 bilateral meetings and about 100 informal parleys between Bangladeshi entrepreneurs and foreign parties during the forum.

Briefing the newsmen Thursday evening Mr Mostafa said now the questions of feasibility study, financing technical know how, equity participation management and marketing arrangement for individual projects would come up for discussion between the concerned parties for finalisation. He said it is hoped that by the end of the year final agreements for investments in some of the projects would be reached. Feasibility study for some of the projects have however been made, he added.

The areas of industrial projects for which understanding have been reached are polyester fabrics, refractory bricks, sponge iron, mini sugar mill, diversification of jute products, conversion of molasses for industrial alcohol, food and vegetable processing plant, elect cables, aluminum extrusion plant for wire rod and printing ink. He said discussions were held between the foreign participants with both Government and private parties in nearly 30 areas of industrial undertakings.

Describing the forum as a "complete success" the Industries Secretary said 124 representatives from 30 countries participated in the forum. The number of local participants was 175, he added.

The Industry Secretary said besides representatives from various industrial and business houses, 20 delegates from financial institutions in international organizations took part in the forum. He said delegates from Islamic Development Bank, Industrial Bank of Kuwait Middle East Financing Exchange, World Bank and Marufatcher, Hanover Trust Company participated in the discussions on the forum.

Organised by Bangladesh in cooperation with the United Nations Industrial Development Organization (UNIDO) the four-day forum was inaugurated by President Abdus Sattar.

CSO: 4220/7792

IDA FORMS GROUP TO RAISE FERTILIZER OUTPUT

Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 p 1

[Text] The International Development Association (IDA) has formed a consortium with a group of co-financiers to assist in increasing fertilizer production in Bangladesh.

The seven multilateral and bilateral development agencies that include IDA and headed by the Asian Development Bank will give 293 million dollars in foreign exchange to set up the 471 million dollar urea plant in Chittagong. The Chittagong Urea Plant has an ammonia unit with a capacity of 1000 metric tons a day and a urea unit with a capacity of 1700 metric tons per day. Bakhrabad gas will be used for both power and feedstock in the urea plant. IDA is lending 15 million dollar for site preparation and construction equipment of the plant.

Among the seven development agencies the Saudi Fund for Development will give 85 million dollar for the ammonia plant. Asian Development Bank's 72 million dollar are earmarked for service fees. Abu Dhabi Fund for Arab Economic Development will provide 25 million dollars for the water treatment plant, the CIDA's 20 million dollar will be spent for steam generation facilities, Islamic Development Bank will finance 16 million dollar for power generation and distribution and the Overseas Economic Cooperation Fund of Japan will give 60 million dollar for the urea unit. The urea fertilizer project will save 114 million dollar in foreign exchange annually.

UNDP Aid for Civil Aviation

Meanwhile the United Nations Development Programme (UNDP) has agreed to provide technical assistance amounting 14 lakh dollars for development of civil aviation in Bangladesh.

The UNDP assistance will help in strengthening the capabilities of electronics field supervisors in air communication and navigation in Bangladesh. The project which will be executed by International Civil Aviation Organisation (ICAO) will assist the Civil Aviation Department to place field maintenance facilities at Zia International Airport and other locations in Bangladesh. The project also envisages programme for giving technical training to civil aviation people.

It may be mentioned that with this technical assistance the total UNDP help to the civil aviation sector in Bangladesh since Liberation amounts to 10 million dollars.

CSO: 4220/7792

BRIEFS

GREETINGS TO HUNGARY--Foreign Minister Prof M Shamsul Huq on Thursday greeted Hungarian Foreign Minister Mr Frigyes Puja on the occasion of the 10th anniversary of the establishment of diplomatic relations between Bangladesh and Hungary, reports BSS. Prof Huq in his message said Excellency on the occasion of the 10th anniversary of the establishment of diplomatic relations between Bangladesh and the Hungarian People's Republic I wish to convey to your Excellency, the people and the Government of Hungary our warm greetings. 'I am confident that the friendly relations and cooperation between our two countries and peoples will be further strengthened in the years to come. Please accept, Excellency, my best wishes for your good health and for the continued progress and prosperity of the friendly people of Hungary.' [Text] [Dacca THE BANGLADESH TIMES in English 29 Jan 82 p 1]

DENIAL ON ISRAEL--An official handout on Saturday dismissed as "entirely baseless" a report published in a section of the Press on January 24 which suggested that BADC might have procured fertilizer of Israeli origin, reports BSS. All tender documents of BADC clearly stipulate that Israel was not an eligible source under Bangladesh rules. The Government of Bangladesh is procuring 20 thousand tons of TSP from Turkey, the source being Messrs Gurge Fabrikalari Tas Kasap Sokak, No 10 Estentepe, Istanbul, the handout added. In an earlier tender received on May 23, 1981 one supplier offered fertilizer showing the country of origin as Israel. The offer was rejected outright the handout said. [Text] [Dacca THE BANGLADESH OBSERVER in English 31 Jan 82 p 1]

MESSAGE TO BULGARIA--Foreign Minister Prof. M. Shamsul Huq has sent a message of greetings to Bulgarian Foreign Minister Mr Petar Mladenov on the occasion of the 10th anniversary of the establishment of diplomatic relations between Bangladesh and Bulgaria reports BSS. Prof. Huq expressed confidence that the existing friendly relations and cooperation between our two countries and peoples would be further widened and deepened in the future years. [Text] [Dacca THE BANGLADESH OBSERVER in English 31 Jan 82 p 16]

MEETING WITH COMMUNIST--Madame Lavren Vievalla, the visiting Deputy Minister of Light Industries of the Soviet Union and Madame Maria Ivzonievna, member of Soviet Womens Committee held a courtesy meeting with Mr Moni Singh, President of the Communist Party of Bangladesh at its office on Sunday. According to a CPB Press release Messrs Mohammad Farhad, General Secretary of the Party, Saifuddin Ahmed, Manik Anil Mukherjee and other leaders were present during the meeting. [Text] [Dacca THE BANGLADESH TIMES in English 1 Feb 82 p 8]

TEXTILE INDUSTRY CREDIT--The International Development Assistance (IDA) will provide 30 million dollar credit to Bangladesh for rehabilitation of the textile industry. The IDA credit to Bangladesh is for 50 years with a 10 years grace. The credit is interest free but it carries a service charge to meet the administrative costs. The IDA credit cover rehabilitation of 15 textile mills and installation of quality control facilities in all operational mills. The IDA supported projects envisages opening of seven quality control centres that will provide specialised quality control services to textile mills. Meanwhile seven specialised textile mills have been transferred from BJMC to private sector and another four units will also be transferred shortly. The government plans to introduce a free-market pricing system for all the textile mills under BJMC. [Text] [Dacca THE BANGLADESH OBSERVER in English 5 Feb 82 p 1]

INDONESIAN VISITORS--An eight member delegation of Indonesian Centre for Strategic and International Studies (CSIS) headed by Major-General Soedjono Hoemardani, Inspector-General for Development and Honorary Chairman of CSIS arrived in Dacca on Friday night on a 3-day visit to Bangladesh. The delegation is in Dacca at the invitation of the Bangladesh Institute of International and Strategic Studies (BISS). The delegation was received at the Zia International Airport by Brig A. H. M. Abdul Momen PSC, Director-General of BISS and the Indonesian Ambassador in Bangladesh, Mr. Basuki Sastrohartojo. During their stay in Bangladesh the delegation is expected to call on President Justice Abdus Sattar and Foreign Minister Prof. M. Shamsul Huq who is also the Chairman of BISS. [Text] [Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 1]

BANGLADESH-THAI COMMISSION--Bangkok, Jan. 29:--Thailand and Bangladesh today agreed to set up a Ministerial-level Joint Commission to oversee all forms of bilateral co-operation the Thai Foreign Minister announced today, reports AFP. Thai Foreign Minister Sithi Sawetasila and Bangladesh Ambassador Quazi Golam Dastgir signed the agreement that aims to promote existing cooperation in trade, air services, fisheries, cultural, educational and [words illegible]. [Text] [Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 1]

TEAM TO TEHERAN--A 10 member delegation from Bangladesh led by Maulana Abdur Rahim MP and Chairman of Islamic Democratic League left Dacca on Friday for Teheran to participate in an Islamic seminar beginning in the Iranian capital on January 31, reports BSS. According to an Iranian Embassy Press release, the 12-day seminar has been organised in observance of the 3rd anniversary of the victory of the Islamic revolution in Iran to be observed on February 11 next. The members of the delegation are Maulana Delwar Hussain Saidy Maulana Muhammad Abdus Subhan Mr A. K. M. Rafiqullah Chowdhury MP, Dr. Mohammad Mustafizur Rahman Prof. Shahed Ali Mr. Mohamad Habibur Rahman, Maulana Syed Kamaluddin Quari Mohammad Habibullah Belali and Hafez Mofizur Rahman. [Text] [Dacca THE BANGLADESH OBSERVER in English 30 Jan 82 p 8]

GUINEA RICE PAYMENTS--The Government on Tuesday described as "totally baseless" a newspaper report published on Tuesday that Bangladesh was approaching the International Court of Justice for non-payment of dues by Guinea for rice exported to it, reports BSS. In its rejoinder the Government also stated that the alleged deterioration in the relations between Bangladesh and Guinea over the issue "is equally baseless." The relations between the two brotherly countries "continue to remain as friendly and cordial as in the past," it added. [Text] [Dacca THE BANGLADESH TIMES in English 3 Feb 82 pp 1, 8]

DELHI CONCERNED OVER U.S. ACCEPTANCE OF CHAUHAN

Madras THE HINDU in English 6 Feb 82 p 1

[Article by G. K. Reddy]

[Text] New Delhi, Feb. 5.

The Ministry of External Affairs has taken up with the American, Canadian and British envoys in Delhi the question of the travel facilities being extended by their Governments to Mr. Jagjit Singh Chauhan, Khalistan protagonist, despite the revocation of his Indian passport.

The Government of India is not satisfied with the American explanation that the U.S. immigration service had exercised the waiver, on behalf of the Justice Department, to admit Mr. Chauhan, although he was no longer in possession of a valid travel document.

Despite a strong Indian representation, there is no assurance yet from the U.S. embassy in Delhi or the State Department in Washington that Mr. Chauhan would be restrained from engaging in any political activities detrimental to India's interests during his present stay in the U.S. or that his visa would not be extended on the expiry of the present one.

U.N. Declaration Invoked

The Government of India is invoking the U.N. General Assembly Resolution No. 2625 of 1970, known as the Declaration on Friendly Relations, to impress on the U.S. that both international law and comity require that it should not do something against the interests of a friendly country, especially when it has been told not to do it. The External Affairs Ministry feels that the U.S. immigration service, which indulges in undue harassment of even those with valid passports, would not have so readily exercised the waiver to grant a visa to Mr. Chauhan, who has been openly indulging in secessionist activities, without some sort of political motivation.

The U.N. declaration which was adopted by the General Assembly to elaborate the principles of the Charter, specifically forbids, among other things, interference in the internal affairs of other States. The Indian contention is that the grant of a visa to Mr. Chauhan even after his passport was revoked amounts to an unfriendly act, since he has been preaching secession, a serious offence under

Indian laws punishable with imprisonment. He is not, in India's view, entitled to the status of a political refugee fleeing from persecution.

Canada's Response

The Canadian High Commission has been much more accommodating in its reply to the protests. It has assured India that, if Mr. Chauhan sought re-entry into Canada, the immigration authorities would take a very close look at the matter and be more careful in future.

It appears the British Government had issued Mr. Chauhan an identity certificate after the revocation of his passport, since he had been residing for the past several years in the U.K. It was on the strength of this certificate that the Canadian High Commission in London issued him a single entry visa valid till January 26, 1982.

Information from U.K. Awaited

The British High Commission in Delhi has been asking the authorities concerned in London about the precise circumstances in which the identify certificate was issued. The Government of India is awaiting the information before telling Britain that a renewal of the certificate or grant of an entry permit to Mr. Chauhan in the absence of an Indian passport would be deemed an unfriendly act.

The Government of India is taking a serious view of this episode and making strong diplomatic representations to put its disapproval on record, since the issue is bound to be raised in Parliament. It is also intended as an indirect warning to Pakistan that any direct or indirect encouragement of the Khalistan demand would be quite contrary to the spirit of a no-war pact.

CSO: 4220/7770

UN ENVOY'S REMARKS ON GOLAN ISSUE REPORTED

Bombay THE TIMES OF INDIA in English 3 Feb 82 p 9

[Text]

UNITED NATIONS.
February 2 (PTI).

INDIA reaffirmed in the emergency special session of the general assembly its "steadfast support and solidarity" with Syria on the Golan Heights issue and called upon the world community to adopt "appropriate punitive measures" against Israel for its action in annexing the area.

Mr. N. Krishnan, permanent representative of India, speaking in the resumed debate in the assembly on the Golan Heights, urged that the punitive measures should cover the military, economic and political fields to compel

Israel to turn back from its "expansionist policies."

"Only by taking such action can the general assembly justify the expectation placed in it by the convening of the present emergency special session and live up to its commitment to the purposes and principles of the charter," he said.

Referring to the U.S. action, Mr. Krishnan said: "The failure of the security council to take action against Israel had raised strong doubts in the minds of member-states as to the ability or willingness of the council to discharge its responsibilities, under the charter for the preservation of international peace and security."

CSO: 4220/7765

RESERVE BANK GOVERNOR REPORTS ON BOARD MEETING

Madras THE HINDU in English 6 Feb 82 p 1

[Text] Hyderabad, Feb. 5.

While trying to maintain the current general "restrictive credit policy", the Reserve Bank is prepared to help meet the "genuine credit requirement" of the priority and needy sectors.

This clarification was given by the RBI Governor, Dr. I. G. Patel, today when he spoke to pressmen after a meeting of the Bank's board here.

The RBI was endeavouring to see that the weaker sections got more credit. It had recommended that during the Sixth Plan larger proportion of funds should be made available to small farmers, small industries and rural artisans and that money be spent on schemes which would generate employment and increase the purchasing power of the rural folk.

Economic Situation Better

At today's meeting the RBI Board reviewed the economic situation, with the Central budget to be presented this month end, and found it "distinctly better than what it was a year ago", in terms of agricultural and industrial production.

Dr. Patel said the Board expected industrial production to rise this year by eight per cent, because of the improvement in the availability of coal and power and better rail movement. Foodgrain production was expected to be around 132 million tonnes, an increase of three to four per cent, with better output in respect of commercial crops also.

The price situation was also better with the increase in wholesale index just seven per cent and that of the consumer price index about 11 per cent as against 14 per cent in various years. Monetary growth was much less than before.

Dr. Patil said the only sphere which had not witnessed improvement was the balance of payments position, with an anticipated gap of Rs. 2,000 crores this year.

Replying to a question on the "controversy" about the latest IMF loan, Dr. Patel said the country had to improve the efficiency of its economy with a suitable investment programme, and there was nothing wrong in the IMF authorities saying

that the credit should be properly utilised. This loan, which was different in some ways, served as an alternative to tide over the balance of payments position.

The other points made by Dr. Patel were: there would be no Bearer Bonds scheme again, the RBI was trying to keep a tab on the flow of money from the Gulf countries through authorised and other channels. India did not have a "serious" fake currency problem.

Rajasthan tops the States having overdrafts with the Reserve Bank, with its present "deficit" estimated at "more than Rs. 300 crores", followed by West Bengal, with an overdraft of around Rs. 250 crores.

Giving these figures to pressmen here today, Dr. Patel expressed surprise at the West Bengal Government's contention that it had no overdraft.

He said the RBI had invited the West Bengal Government to inspect the Bank's books on the question of overdraft.

Dr. Patel said the RBI would insist that all overdrafts be cleared by June 30 when the Bank would close its yearly accounts. The Centre should sort out the problem with the States concerned.

He listed Andhra Pradesh, Uttar Pradesh, Bihar, Tamil Nadu, Haryana and Karnataka as having "good financial administration".

CSO: 4220/7770

REPORTAGE ON 11TH CONGRESS OF CPI-M CONTINUES

Policy on Fraternal Parties

Madras THE HINDU in English 3 Feb 82 p 8

[Text]

THE one significant feature of the CPI (M)'s 11th Congress which concluded last week in Vijayawada was the anxiety displayed by the leadership to take what it would describe as realistic positions on issues of both international and national importance.

Take for instance its attitude on establishing friendly fraternal relations with communist and workers parties in other countries.

At Burdwan in 1966, the party plenum opposed forging fraternal relations with the Yugoslav party on the ground the latter was guilty of ideological deviations.

Now at Vijayawada the leadership decided on having fraternal relations with all the 88 communist parties in the world without looking at ideological deviations to the left or right with a magnifying glass. In the complex world situation the party leaders now realised no party including the CPI (M) could escape ideological deviations. The basic point to be kept in mind was whether a party was by and large communist or not despite aberrations occasionally. Hence the stretching of the hand of friendship.

It also underlines the party's confidence in the correctness of the ideological positions it has taken and the leaders cite the respect with which its voice is heard. Still the party has fraternal relations with just a dozen countries though the Soviet, and Chinese parties are not among them.

The same touchstone of realism was sought to be utilised in building up the broad front of resistance against authoritarianism. The bourgeois opposition parties were interested in fighting Mrs. Indira Gandhi either out of their eagerness to get into power or out of the fear of victimisation if democracy was snuffed out, pointed out Mr. B. T. Ranadive, Politburo member, who successfully piloted the draft political resolution.

"I am not concerned with their motives", in enlisting their support. He also had no

illusions of their permanent company. But, for the limited purpose of fighting Mrs. Gandhi they were welcome to join hands with the CPI (M).

In another context, Mr. M. Basavapunni, Politburo member, said if all other parties were eliminated on some pretext or another, there would only be the CPI (M) and the CPI left to hold the baby. He was alluding to CPI's opposition to joining hands with the BJP even in the fight against authoritarianism on the ground it was communal.

The CPI (M) leaders gave out realism as the reason for what the critics call the pro-Soviet tilt in its draft resolution. They maintain there is no pro-Soviet tilt. It implies the CPI (M) had been anti-Soviet earlier.

The party general secretary, Mr. E. M. S. Namboodiripad forcefully asks whether the CPI (M) had many many years ago not justified Soviet intervention in Czechoslovakia?

Mr. Ranadive words the CPI (M) stance colourfully. "We remain where we were". It was the others who had changed. The Soviet Union was now more forthright in championing the cause of liberation movements and fighting against U.S. imperialism whereas China was acting in concert with U.S. imperialism unlike as in the past. There was a reversal of roles of both China and the Soviet Union and hence the CPI (M) stand. The leadership, therefore, turned down suggestions that it tone down the criticism against China which was sharper than that found in the Jullundur resolution.

The critics, especially those belonging to the CPI (M) line, have turned a full circle. Following what has come to be known as the great debate in the wake of schism in the Communist movement, the CPI (M) took a total pro-communist Party of China line in the 1960s. The 81 communist parties in the world including the Chinese meeting at Moscow in 1960

declared that the main contradiction was between the camps of imperialism and socialism. In interpreting the declaration later, the Communist Party of China, however, felt that the main contradiction was between national liberation movements and colonialism.

As a logical follow-up, China accused the USSR of sacrificing national liberation movements in the name of peaceful co-existence with the U.S. and the capitulations during the Cuban crisis was cited as an example.

That the Communist Party of the Soviet Union rebutted the charges was a historical fact.

The CPI (M) which backed the Chinese stand in the Sixties has now veered to the Soviet line.

When has the Soviet Union ceased to be revisionist? the critics ask of the CPI (M) referring to the latter's characterisation of the Soviet line. The change in the CPI (M) stand has been gradual — from wholesale adulation of the Chinese line to that of maintaining an equidistance.

The CPI (M) leaders contention is that there has been no change in their basic attitude. Their evaluation of the Soviet and Chinese lines depended on what the two parties did in practice. When the USSR emphasised peaceful co-existence, it was China which went to the defence of North Korea and offered its soil for the fighting forces of North Vietnam. In 1978, the CPI

(M) had warned against placing faith in detente and it has been proved correct and the Soviet Union no longer nursed detente illusions. Now it is the Soviet Union which is against U.S. imperialism.

Thus the CPI (M) leaders assert there were deviations on the part of both the parties in China and the Soviet Union. The CPI (M) is not eager to take a high and mighty attitude and tell the Russians they were guilty of this deviation or that. And the occasion is not appropriate for an ideological debate.

The main issue before them is the hovering war danger because of the sharpened contradictions between imperialism and socialism and the responsibility of every communist worth his salt is to rally behind the Soviet Union.

Thus the CPI (M) leaders explain away their pro-Soviet stand is not a tilt as described by the bourgeois press.

Contrary to speculation again in the bourgeois press, to quote Mr. Namboodiripad, the party Congress not only adopted the draft political resolution and the political and organisational report unanimously but also unanimously elected, rather virtually re-elected, the old team to preside over its destinies for another four years.

The massive rally beyond the expectations of the organisers also has come as a shot in the arm of the State unit of the CPI (M) unfolding the prospects of reviving its great past.

Namboodiripad Press Conference

New Delhi PATRIOT in English 4 Feb 82 p 4

[Text] Trivandrum, Feb. 3 (PTI).

CPI-M general secretary E M S Namboodiripad has refuted the analysis of some that with the eleventh party congress at Vijayawada last week the party has "tilted markedly towards the Soviet Union" and therefore the party will have to moderate its opposition to the Congress-I.

He told a press conference here yesterday the analysis implied that the CPI-M had all along been indifferent towards the USSR. "But the fact is the CPI-M has never been anti-Soviet.

Even as far back as 1968 when the CPI-M was dubbed as 'flagrantly pro-China', the party had defended the Soviet intervention in Czechoslovakia while there were differences among the CPI leadership over the Soviet action the Marxist leader said.

Mr Namboodiripad said his party's attitude towards the Central Government was not based on what attitude socialist countries maintained towards the Indian Government, but based on what it did for the Indian people.

The CPI-M's attitude towards communist parties of other countries depended on what stand they took towards imperialism in general and, 'US imperialism in particular', Mr Namboodiripad said.

The CPI-M agreed with the Soviet line on issues of Afghanistan, Kampuchea and the attitude to be maintained towards the Reagan Administration. But on these matters China was 'on the other side', he said. However, the CPI-M did not agree with the CPI analysis that there was a 'Washington-Beijing-Islamabad axis', he said.

Mr Namboodiripad also discounted reports that the CPI-M central leadership had come under fire from some State units on its stand on key national and international issues.

CSO: 4220/7773

GANDHI 5 FEB SPEECH IN HAZIRA REPORTED

Calcutta THE STATESMAN in English 6 Feb 82 p 1

[Text] Mrs Gandhi today hit out at the Opposition for its "unwarranted" criticism of the new 20-point programme and declared that this charter was the crystallization of her Government's unquestionable commitment to the welfare of the poor, reports PTI.

In her first public address since she announced the new programme on January 14, she ridiculed the Opposition for criticizing the Government merely for the sake of criticism. This, she said, was evident in the Opposition charge that the programme had precious little for the Harijans, tribals and other backward classes.

On the first day of her two-day visit to Gujarat, Mrs Gandhi laid the foundation for the Rs 980-crore, gas-based Hazira fertilizer complex, addressed the first convocation of the Institute of Rural Management in Anand and delivered the keynote address at the Ahmedabad Peoples' Golden Jubilee function.

On arrival at Baroda from New Delhi, she was received at Harni airport by the Chief Minister, Mr Madhavsinh Solanki, the Mayor, Dr Jatin Modi and the State Finance Minister, Mr Sanat Mehta. From Baroda, she flew to Hazira.

The police whisked away Yuva Janata volunteers at Baroda who had tried to stage a black flag demonstration.

Soon after laying the foundation, she addressed a large public meeting where she said the Opposition was fumbling in trying to find faults with her Government's policies which were aimed at self-sufficiency in agriculture and self-reliance in industry.

The country was making rapid advancement in these two fields, she said amidst cheers and charged the Opposition with concentrating on only the darker side of things and trying to propagate false viewpoints.

In an oblique reference to the recent farmers' agitation, Mrs Gandhi said only the rich farmers associated themselves with such movements. "While we have no objection to some people including the rich farmers trying to improve their life style, it is the poorest who have to be looked after first", she said.

The Prime Minister said the Opposition parties had repeatedly charged her party with encouraging big industry. "If you don't encourage such industry how do you expect the small and the poor to be benefitted?" she asked.

Mrs Gandhi said the country was now poised for attaining self-sufficiency and self-reliance in many fields. The new programme was aimed at accelerating the pace of growth.

She said it was not possible to reach the fruits of progress to the 66 crores people immediately. The benefits of any development scheme took some time to reach the common people and her Government had succeeded in improving the condition of a sizeable section of the population.

Describing the start of the work on the Hazira project as an auspicious occasion, the Prime Minister said this was only one of the many giant schemes the Government was implementing.

UNI adds: Referring to the criticism that the Centre was granting increases in fertilizer prices, the Union Agriculture Minister, Rao Birendra Singh, said this could not be helped because of the fluctuating prices in the international market. But, with projects like Hazira coming up, the country should be able to become self-sufficient in this sector, he said. This year's agricultural production would break all records, he claimed.

CSO: 4220/7769

GANDHI ACTIVITIES ON GUJARAT TOUR REPORTED

New Delhi PATRIOT in English 7 Feb 82 pp 1, 7

[Text] Gorakhpur, Feb 6 (PTI)--Prime Minister Indira Gandhi today asked the youth of the country to shun violence and rise against vandalism to divert their energies towards constructive work aimed at eradicating poverty.

Laying the foundation stone of a martyrs memorial at Chouri Choura village, 25 kms from here, the Prime Minister said that the youth should follow the high ideals set by freedom fighters who sacrificed their lives for achieving the freedom.

Mrs Gandhi returned to Delhi this evening after a two-day visit to Gujarat and Uttar Pradesh.

The Prime Minister said that the country could achieve economic freedom only if the people worked with zeal and a sense of sacrifice as was done during the freedom struggle.

If we aspire to be a great nation, we should not waste our time and energy on petty things, Mrs Gandhi said.

She referred to the tremendous progress made by the country after independence and said, in fact, half of the progress had been upset by the population growth which was touching 66 crores now.

Chouri Choura village shot into limelight during the mass disobedience movement launched by Mahatma Gandhi exactly sixty years ago on this day. The police firing on an unarmed crowd had so infuriated the people that they retaliated by burning down the police station with 22 policemen inside it.

The incident had a profound effect on Gandhiji who summarily called off the non-cooperation movement on the ground that the people were not yet ready for it.

Setback

Earlier, talking to newsmen in Ahmedabad, the Prime Minister said that but for the three-year misrule of the Janata Government, India would have been way ahead in making progress.

Before going to her last engagement on the two-day tour of Gujarat, Mrs Gandhi, however, declined to characterise the opposition parties as incompetent for running the Government. These diametrically opposed parties could not deliver the goods to the people if they united again on a negative note, she said.

When a reporter said quoting study reports that bank loans given to the poor for construction of houses and self-employment were misutilised, Mrs Gandhi dismissed his statement as "generalised."

She said each situation had to be weighed in its proper perspective. There were some genuine difficulties in implementing the 20-point programme. Some of these programmes would take time to yield desired results.

In her introductory remarks to a meeting of the Gujarat Ministers and officials. Mrs Gandhi drew their attention to the 20-point programme which 'though based on our plans, calls for extra efforts in certain directions which affect the common man'.

At the two-hour meeting the Prime Minister stressed the need for promoting family planning programmes on a voluntary basis.

Mrs Gandhi told the meeting that the Centre will play its role in supplementing the efforts of the Gujarat, Rajasthan, Madhya Pradesh and Maharashtra Governments in implementing the Rs 3,800 crore Narmada project if the States take adequate steps to raise resources.

'I am aware of the importance of the project not only to Gujarat but also to neighbouring States' she said.

Mrs Gandhi impressed upon the State Governments the need to ensure that budgetary resources were not diverted to non-development expenditure, which was also on the increase.

CSO: 4220/7771

NORTHEAST REGION REPORTERS QUESTION GANDHI

Bombay THE TIMES OF INDIA in English 3 Feb 82 p 1

[Text]

NEW DELHI, February 2
(PTI).

THE Prime Minister, Mrs. Indira Gandhi, today ruled out the division of Assam to solve the foreign nationals issue.

"I don't think cutting the people into different groups or states is going to help the problem," the Prime Minister said, replying to questions from a group of 21 journalists from north-eastern states who called on her this morning.

Noting that Assam had problems which were faced by other states also, the Prime Minister said, "If you remove all people, except the Assamese, from Assam, they can't survive. At

the same time, she said, she did not want people from outside "to come and add to our problem".

Talking about the foreign nationals issue, the Prime Minister said, "We will continue the talks." She said, "Even before my trip to Zimbabwe, I visited them (the Assamese) and told them to let the task of identifying foreigners begin."

"If the task had been taken up then, we could have achieved much by this time," Mrs. Gandhi added.

Replying to a question on the Mizo problem, Mrs. Gandhi said Mr. Lalengwa had approached the Centre for talks during her previous regime. The talks were still continuing.

"We agreed to meet their demands wherever possible," she said, and added that the Centre had to see the repercussions of any agreement on other groups as well.

She hoped that violence would end as it was against the progress of the state.

When a journalist from Tripura pointed out that the leftist government's demand for funds for pica projects in Tripura had not been met, Mrs. Gandhi said all chief ministers demanded more than what the Centre could give.

"We have done and we are doing our best to accommodate states of the north-eastern region," she said, quoting figures of Central allocations to various states in the region.

Replying to a question on insurgency in Manipur, the Prime Minister said the situation was now better. "It is essentially a law and order problem," she said, and asked the people to co-operate with the government.

CSO: 4220/7765

G. K. REDDY ON GANDHI PLANS TO VISIT SAUDIS

Madras THE HINDU in English 3 Feb 82 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, Feb. 2.

The Prime Minister, Mrs. Indira Gandhi, is planning a trip to Saudi Arabia in April for talks with King Khalid, Crown Prince Fahd and others in the Saudi hierarchy on how best the two countries could cooperate to promote peace and stability in the region.

The Saudi Foreign Minister, Prince Saud al-Faisal, who visited New Delhi last year, indicated to her that the more modern-minded in the Saudi establishment were quite keen on closer links with India for both political and economic reasons.

The Prime Minister is availing herself of a long standing invitation to pay a brief visit to Riyadh to discuss at the highest level the prospects for better Indo-Saudi understanding in dealing with regional problems.

She wants Saudi Arabia to maintain equally good relations with India and Pakistan, without taking sides in their controversies or financing arms purchases by one or the other for whatever reasons.

Shedding old image: Though it still remains the cornerstone of the U.S. defence strategy in the Gulf, Saudi Arabia is becoming increasingly aware of its vulnerability to both external pressures and internal dissensions. It is slowly shedding the old image as a bulwark of Islamic orthodoxy and political reaction, as is evident from the recent moves to take the lead in finding a lasting solution to the Arab-Israeli conflict.

The Crown Prince, who has been functioning as the effective head of Government, has been aspiring for a middle role of moderation in Arab affairs between the militancy of hotheads like Col. Qadhafi and the defeatism of the late Sadat.

He has in the process established a reasonably good working relationship with the Palestine Liberation Organisation leader, Mr. Yasser Arafat.

The Prime Minister would like to encourage Prince Fahd and his advisers to carry forward this new element of rationality in Saudi foreign policy to the logical conclusion of establishing mutually beneficial links with India, the most

important country in the region which offers vast possibilities for Saudi investments in its economic development.

After the U.S. froze the Iranian assets, Saudi Arabia and other oil-rich Arab countries have been somewhat chary of putting all their petro-dollars in American banks or investing exclusively in the West.

They are more inclined now to seek other avenues of investment in countries like India to enhance their own regional political influence.

Financial power: The Indian policy is to encourage these Arab States to put their immense financial power to prudent use by assisting the economic development of neighbouring countries instead of financing their arms purchases.

Mrs. Gandhi would certainly utilize the opportunity of her talks with King Khalid, Crown Prince Fahd and others in Riyadh to impress on them the undesirability of Saudi Arabia getting mixed up in Indo-Pak. politics and willy-nilly promoting an arms race in the sub-continent.

Arab diplomats satisfied: The Arab diplomats in New Delhi have followed the latest Indo-Pak. talks with considerable interest and seem to be reasonably satisfied with the Indian approach to a no-war agreement. The more enlightened among them no longer subscribe to the theory that the Islamic countries have a special obligation to back Pakistan to the hilt in its quarrel with India on purely religious considerations.

They look upon India as a consistent supporter of the Arab cause, a country which has not allowed itself to be provoked by the vagaries of Islamic politics and the tendency of some of the Muslim countries to automatically support Pakistan irrespective of the merits of Indo-Pak. problems.

It is not without significance that Saudi Arabia also has been veering round to the view that its real interests lie in steering clear of involvement in Indo-Pak. disputes, although it continues to pay for Pakistan's arms purchases.

The Indian diplomacy now aims at strengthening the hands of those in the Saudi establishment who realise the futility of financing the purchase of F-16 planes by Pakistan at a time when the two countries are trying to improve their relations.

The preparatory talks have already taken place at various levels to make the Prime

Minister's visit more fruitful and mutually beneficial in the present regional situation.

The Saudis have given the impression that they would be very happy if Mrs. Gandhi could find time to pay an early visit. The two Governments are now discussing suitable dates for her visit.

CSO: 4220/7767

PLANNING MINISTER REPORTS ON COMMISSION MEETING

Calcutta THE STATESMAN in English 3 Feb 82 pp 1, 9

[Text] New Delhi, Feb. 2.--The Planning Commission has decided to keep intact the size of the Sixth Plan, at Rs 97,500 crores, although sectoral outlays are to be made, obviously to take into account the increased investment on oil.

Mr S. B. Chavan, Minister for Planning and deputy chairman of the Planning Commission, told members of the Parliamentary Consultative Committee attached to his Ministry here today that the adjustments would be made by giving priority to programmes for the weaker sections.

Mr Chavan said the other important decisions taken at the full meeting of the commission held late in December last year included treating 1982 as "productivity year". It had also been decided to reduce non-Plan expenditure, to work out modalities to curb over-drafts by the States and to monitor the implementation of Plan projects at shorter intervals.

Methods of reducing deficits of State Electricity Boards would also be devised as would be programmes to utilize the abilities and desire of Indian scientists and technologists abroad to give some of their time and energy to the country, and to have better coordination and interaction with technical institutions.

Reviewing the achievements of the first two years of the Sixth Plan, the Minister said that during the current year the entire public sector outlay of Rs 17,417 crores was expected to be fully realized, compared with Rs 14,722 crores utilized last year against the authorized outlay of Rs 15,109 crores. Mr Chavan said that in agriculture, industry and infrastructure, the achievement was expected to be as provided in the Sixth Plan.

In the power sector, the addition to installed capacity last year was 1,823 MW against the target of 2,687 MW. For the current year, the target for additional installed capacity had been fixed at 3,212 MW.

In regard to petroleum, following the acceleration of oil development, the Sixth Plan target of crude oil production of 21.6 million tons by 1984-85 is expected to be substantially exceeded. The output of refineries may also be higher than the Sixth Plan target of 38 million tons.

Referring to the erosion of Plan resources due to the price rise, Mr Chavan said that according to a broad assessment, the order of increase in the cost of public

sector projects was estimated at 20% to 30% during the first two years of the Sixth Plan. Since a part of the rise in the cost of projects during the year 1980-81 (end-December) has been taken into account in the Sixth Plan estimates, the actual increase in the cost of projects since the finalization of the Sixth Plan would be somewhat lower.

The Minister informed the members that mid-term review of the Sixth Plan would be undertaken and, if considered necessary, inter-sectoral priorities and allocation of investment funds would also be modified to provide adequate resources for the completion of on-going projects.

CSO: 4220/7766

AGREEMENT SIGNED ON JAPANESE AID TO INDIA

New Delhi PATRIOT in English 7 Feb 82 p 5

[Text]

Japan on Saturday committed grant aid to India totalling over 2.93 billion yen (approximately Rs 12.28 crores), reports PTI.

The grant aid will be made available before the end of March and is untied, and can be used for payments by India for imports of goods and services from any country.

Besides debt relief, the aid covers social environment improvement and production of Japanese Encephalitis vaccine.

Notes for the extension for the grant aid were exchanged between Japanese Ambassador to India Eikichi Hara and secretary of economic affairs, Ministry of Finance R N Malhotra on Saturday in Delhi.

The project to produce vaccine with Japanese know-how aims at

enabling India to produce Japanese Encephalitis vaccine for immunization of about two million persons after a period of five years.

The Japanese aid of 300 million yen being more than half of the total cost of the project will be used for imported medical equipment.

The debt relief will help to bring down the level of interest payments to three per cent on past loans which were at higher rates and interest on which fell due between April and September, 1981.

Aid for social environment improvement will be used for supply of steel bars for construction of low income group houses in metropolitan cities, schools and hospitals and additional food-grain storage capacity.

CSO: 4220/7771

PRC EXPORT POLICY REPORTEDLY DAMAGES INDIA

New Delhi PATRIOT in English 8 Feb 82 p 1

[Text]

A very aggressive export policy adopted by China to enter into the international market in a big way has adversely affected India's export of engineering goods, according to Mr G D Shah Chairman Engineering Export Promotion Council.

Mr Shah, who met a team of engineers after its visit to some of the export-oriented engineering units in Faridabad, Sonipat and Gannaur in Haryana, and Jullundur and Ludhiana in Punjab, said: China's policy is a setback to these units as also to the council. China has started dumping engineering products, specially labour-intensive castings and hand tools to the markets so far covered by India, he said.

India exports engineering goods to South East Asia, Middle East and African countries which account for major share.

South Korea and Taiwan are the other two countries offering stiff challenge to India in engineering exports but they, being small, are not believed to be a serious threat to India.

Mr Shah, however, claimed that India can face the challenge by exporting better quality products at competitive prices.

Engineering exports have maintained almost consistent growth

rate during last decade and would be able to reach other targets despite power and raw material constraints faced by many units in the country, he hoped.

Engineering goods worth Rs 740 crores have already been exported till December 1981 as against Rs 600 crores during the same period in the previous year according to Mr Shah.

However, to achieve larger targets some of the constraints like acute power shortage, non-availability of steel at international price and scarcity of other raw materials and high freight charges in India ports, have to be removed, he said.

Mr Shah said the council had taken a number of measures to remove bottle-necks and also recommended to the government for still greater incentives to encourage exports of engineering goods.

The council has fixed a target of Rs 8,000 crores to be achieved in 1980-81, of which 60 per cent will consist of capital goods and turn-key projects.

According to Mr Shah, the council had identified 20 countries including eight in south of Sahara in Africa for making concerted efforts in developing exports to these countries.

CSO: 4220/7772

ENVOY'S VISIT TO DEFENSE UNIT INVESTIGATED

New Delhi PATRIOT in English 8 Feb 82 p 7

[Text]

Intelligence sleuths are investigating the "unauthorised" entry of a foreign diplomat holding a military rank into the Institute of Nuclear Medicines and Allied Sciences (INMAS) in December last reports UNI.

Sources in the institute, a Research and Development (R and D) unit under the Defence Ministry, said the diplomat, belonging to an African country, came to the institute on 14 December for liver scan.

The sources said though the diplomat had an appointment that day, his visit had not been cleared by the chief controller of R and D as well as the Directorate of Military Intelligence (DMI), which is "strict". Under Defence Ministry Rules, no foreigner holding a military rank can enter a defence unit in the country without the prior approval of the DMI.

The sources said the objections raised by an Assistant Duty Officer (ADO) on duty to the diplomat's entry were overruled by the institute director, who let him in on verbal instructions.

When the diplomat, holding the rank of Brigadier General revisited the institute a week

later, his visit was not even entered in the reception desk, the sources added. "But the department where the liver scan was conducted recorded his visit and that is the only proof that the diplomat revisited INMAS".

The sources said upon complaints to the chief security officer and a senior military officer, an inquiry was conducted by intelligence sleuths in the first week of January, on the basis of which a report is said to have been submitted to the CCR and D.

The sources added that while no action has been taken against any of the erring officers of the institute, disciplinary proceedings have been started against the ADO for having complained to outside agencies about the diplomat's visit.

Though the ADO was not available for comment, the sources said complaints were made to the chief security officer directly after initial complaints made through proper channels were not forwarded to the concerned authorities.

This is the first incident of its kind in the institute, which was set up in 1963.

CSO: 4220/7772

DOUBTS OVER USE OF BANGLADESH WATERWAYS TOLD

Calcutta THE STATESMAN in English 6 Feb 82 p 16

[Text] Uncertainties regarding plying of Indian vessels in Bangladesh and through that country to destinations in northeastern India have arisen with neither India nor Bangladesh taking the initiative to extend the protocol on inland water transit and trade which expires before the end of this month.

Talks between India and Bangladesh on a revised protocol on inland water transit and trade ended in a deadlock in Delhi late last month because of serious differences over payment of revised charges fixed by Bangladesh for Indian vessels using Bangladesh waters.

Bangladesh has proposed to "substantially" raise conservancy, toll and pilotage charges for Indian vessels which use about 800 km of Bangladesh waters. Dacca's contention is that what is being paid by Indian vessels by way of charges does not cover one-seventh of the costs borne by it for the maintenance of river channels and for providing pilot and other facilities. Besides, over 300 km of river channels are being maintained for exclusive use by Indian vessels.

Bangladesh's stand is that unless India agrees to pay for the prohibitive cost of maintaining river channels it would be difficult for Bangladesh to maintain them.

India, it is learnt, is not averse to a revision of charges payable to Bangladesh. But it has question the basis for the "substantial" increase in charges which it finds to be "unrealistic". Bangladesh does not dredge the river channels used by Indian vessels to justify such a steep increase in charges, officials point out. India has asked for the break-up of the cost incurred by Bangladesh for maintaining the 300 km stretch which Bangladesh says is used exclusively by Indian vessels. The Indian stand is that there is no exclusive river channel in Bangladesh which has been reserved for Indian vessels.

Bangladesh is also not willing to provide night navigation facilities to the Indian vessels to enable them to ply in its waters day and night. India has pointed out that to enable its vessels to absorb the increased charges and operate economically, Bangladesh should extend facilities which would permit the vessels to operate round the clock. Bangladesh has pleaded its inability to extend these facilities since this would entail sizable investment.

Officials feel that as India is the only country whose vessels enjoy transit facilities in Bangladesh, Dacca is trying to put pressure on India to agree to its terms. They point out that 15 million tons of goods are carried by Indian vessels through Bangladesh by this inexpensive means of transport. It may be recalled that Indian vessels were stopped from plying in the Bangladesh waters for a brief period in November last when the transit protocol expired.

CSO: 4220/7769

HIDAYATULLAH SCORES FREQUENT SUPERSESSIONS

Bombay THE TIMES OF INDIA in English 5 Feb 82 p 18

[Text]

NEW DELHI, February 4 OTTB
The vice-president, Mr. M. Hidayatullah, today expressed himself against frequent supersessions of local bodies and running them without elected representatives for long.

Inaugurating the 19th meeting of the central council for local government and urban development, he said the objection against supersessions was justified.

At the same time, he appreciated the move to ask the government to come forward with assurances to encourage local bodies which had submitted theirelves well and could be better with government help.

The eighth joint meeting of the central council for local government and urban development and the executive of the all-India council of mayors is also being held simultaneously.

Mr. Hidayatullah regretted that there existed an atmosphere of unnecessary fear and suspicion, against

a background of wanting for so many concessions and exemptions.

LEVY COLLECTIONS

He said several local bodies were reluctant to impose levies, and that they were unwilling even to collect the taxes which were already in existence from fear of public opinion. He had also come to know of the instances of fund being used on eye-catching programmes when activities like provision of drinking water, sanitation, hygiene and housing were neglected.

"There is perhaps a long way to go for many of your institutions before it can be charged that the present state of affairs was because of the absence of governmental assistance," he said hoping that the Union housing minister would view any positive proposals in this regard with sympathy.

Mr. Hidayatullah also called for immediate attention to the problems like atmospheric pollution and proper town planning and slums in cities.

CSO: 4220/7768

OIL PRICE HIKE PROMPTS REPORT ON ECONOMIC OUTLOOK

Jakarta TEMPO in Indonesian 16 Jan 82 pp 73-74

[Article: "Crooked Picture, Beautiful Picture"]

[Text] The public's purchasing power will decrease; Some say inflation will reach 30 percent; Others call for increased trust in the role of the private sector; A number of comments on the future of Indonesia's economy.

The Year of the Dog, which will begin to "bark" on 25 January, indeed probably will not be a bright year. For instance, it has been assured that the salaries of Indonesian civil servants will not go up. The government has already said so. Tied to the rise in the price of oil, the plan of the government to increase exports of a number of new commodities should probably be taken into consideration as well as those who are involved in business. And the 1982-83 National Budget, which will rise more than 12 percent over this year's budget and is expected to reach 15.6 trillion rupiahs, itself provokes comment.

From the western end of Indonesia the manager of PT Gotong Royong [Mutual Cooperation Company] in Medan, a rubber export firm, greets the year spiritlessly. Fauzi, 35, truly feels "struck from inside and out." Last year rubber exports were hit by the world recession. Entering the new year, rubber production was clobbered by the rise in the price of oil.

Export troubles are also felt by Mrs Sudirman, director of PT Caldera, a ready-made clothing business. She too names the world recession as the source of the problem. The result is that a number of European countries are imposing quotas on imported goods.

Fortunately this friendly but shrewd businesswoman quite brilliantly has found markets for her garments. Last year, as soon as she felt the blow of the world recession in Europe, she tried to sell her products in the United States. "Prospects there are so much better than in Europe, and that country is not affixing quotas," she said. Indeed she has proof of how Americans are buying up her goods. For several months recently PT Caldera's exports to the United States rose from 7,500 dozen per month to 10,000.

Likewise, the general chairman of the Young Indonesian Businessmen's Association (Hipmi) is not so pessimistic even though with the rise in the price of oil he calculates this year's inflation will reach 20 percent. "That's usual for a developing country," he said.

And the proof that Ponco Nugroho Susilo, the general chairman, believes our economic situation will not experience a difficult period in 1982 is that sales of his company (PT Adiguna Shipyard, a shipbuilding business) will rise from 13 billion rupiahs to 20 billion.

Businessmen or heads of foreign trade offices which have interests in Indonesia at first calculated that Indonesian inflation in 1982 would not be too high. But after learning about the rise in the price of oil, they changed their minds.

Masahiro Mino, director of the Japanese Trade Center (Jetro, Japan External Trade Organization) at first calculated that Indonesia's inflation rate would be about 12 percent. Then he changed the figure to 20 to 30 percent because of the rise in the price of oil. And this father of two children reacted quite seriously to the lack of a wage increase for our civil servants. To pull off the shelves a number of products, most of which are everyday necessities, is a meaningless gesture. His currently prepared appraisal: "If forced to, I'll use a system of 'buy now, pay later,'" he said in his office on the 11th floor of Wisma Nusantara.

Likewise, Harvey Goldstein, 43, president of the U.S. Chamber of Commerce in Indonesia (Amcham): "If the wages of government workers do not go up, the public's purchasing power will decrease. We must be careful," he said.

What is interesting about Amcham is they are forming a study group which is researching the cost of living in Indonesia. Of course, this is in the interest of U.S. business here. Why? Because Goldstein sees that Indonesia "is a most attractive market and a challenge for commerce."

A similar voice on Indonesia's commercial and economic situation is heard in J. Willecke, chairman of the executive council of the Indonesian-West German Economic Group (Eknoid). Willecke does not believe the prediction of the ASIAN WALL STREET JOURNAL that Indonesian inflation in 1982 will be lower than Malaysia's 8.9 percent. "It will at least reach 20 percent," he said. "Because soon rates for electricity will go up. All living costs will rise. Transportation costs will go up. How can inflation be held down?"

Of course, what Willecke is talking about is tied to the rise in the price of oil. And he too predicts market demand will decrease with the lack of wage increase for civil servants.

Quite strong criticism of government policy comes from Kwik Kian Gie, an economist and importer in Jakarta. He accepts as natural the rise in the price of oil. With an oil hike government income is guaranteed. "If we only rely on taxes," he said, "it is not certain that receipts can be realized. Oil sales can be controlled better than the tax apparatus." Nevertheless, he asks: What actually is wrong with an economy which is subsidized?

Kwik comes to the conclusion that the government has not fathomed the problem each time it has laid down a policy. He cited past national budgets to illustrate. "Just look at the National Budget of 1979-80, which was only 6-7 trillion rupiahs. In 1980-81 it became 12 trillion rupiahs, a 100 percent increase. But why was the business world sluggish at that time?"

For Kwik the sluggish business atmosphere indicates the government was unable to spend budgeted funds. "Now, before the balance of the 1981-82 Development Budget is known, the budget has increased by 12 percent or more," he said.

All of this, according to Kwik, makes it difficult for the "business world, which formulates plans on the basis of the government's annual budget." He used the example of the automotive assembly industry. The increase in automotive assembly production, according to this economist, is based on the 1981-82 National Budget. "But it's obvious the government has applied the brakes to auto purchases. Thus there is an excess of cars in stock, and also the price has fallen."

There are those who see the course the government is taking now as "forcing people to develop themselves." This comes from economist Captain Adisumarta. He intends that with the rise in the price of oil--which means decreasing the government subsidy on oil--"people learn that freedom has its costs and is not simply a matter of being spoon-fed."

Thus Adisumarta sees the 1982-83 National Budget as one which reflects a "government that is quite stable and courageous." In confronting the not-so-encouraging reality--the world recession, for example--in the recently publicized National Budget "Indonesia's economy is pictured as possessing a capability that can be relied on. This is reflected in minimal foreign assistance and an increasingly smaller role for government subsidies."

But what about the problem of inflation? "It can be held down by all sorts of compensations," said this monetary expert. He mentioned that one of the counter-balances is to increase exports, but he noted that "it is hard to rely on traditional exports like coffee and the like."

The captain is not too worried about the matter of government employees' compensation not going up. He is firm in his opinion that "the public's purchasing power is good." He mentioned, for example, that the total sales volume for clothing materials is constantly increasing. "Our people have undergone all sorts of conditions. A blow is only felt in the first round. Where there is a disaster, there is always a way out," said the economist, who likes to recite this classical line.

Adisumarta also praises Indonesia's business world. "Our business community not only has a confirmed durability but possesses a resilience that will not allow it to be affected by the oil increase."

That is why he is certain that "devaluation is nothing more than a fantasy. The government is becoming more clever all the time. Devaluation is out-of-date. There are 1,001 ways to overcome the problem: the floating system, shaking the figures all over the place."

But the chief director of ten companies, Soedarpo Sastrosatomo, 61, goes out of his way to lament the rise in the price of oil. "It's true, no matter how you look at it, subsidies are not healthy, especially a subsidy on consumer necessities," he said. He used Poland as an example of a country that is very much in the news today. In that country everything is subsidized, and "when there is no increase in production, a country can go bankrupt."

The problem, according to Sastrosatomo, if the increase is late. "If, for example, the lowering of the subsidy did not coincide with the difficulties of our rural economic conditions, it wouldn't be so bad. It would even have been better if the subsidy was decreased in 1980 or 1981." One of the indications of the crisis in the rural economy: "Just recently we heard about the troubles of the rubber growers."

A voice similar to Soedarpo's is that of Frans Seda. The former finance minister regrets the late decrease in the subsidy, "right at the time of a flood and food scarcity," he said to KOMPAS. The government should have lowered the subsidy in fiscal 1981-82 so that it wouldn't be felt as drastically as it is now.

Nono Anwar Makarim, 42, corporate and business law consultant of Makarim and Taira, touched on many basic points. He indicated the importance of placing complete trust in the private sector. "The success or failure of the government's role," he said, "depends on the shape of the role which is chosen. If the shape put forward is that of one who provides opportunities and opens doors, then there is a good possibility for success."

The former editor-in-chief of the daily paper KAMI is critical of a bureaucratic apparatus which "is suspicious of the private sector and which believes that business' goal is to dredge up riches and exploit labor and the environment or natural resources."

Nono's experience as a consultant allows him to draw the conclusion that there is "a certain chronic condition which results in a bureaucracy enveloped in an uncertain atmosphere, a hazy atmosphere, an atmosphere of being afraid to make a decision." He used the example of managing a foreign client's interests. "Bureaucracy thus has a nationalistic attitude and sides with Indonesia interests," he said. When he looks after the interests of Indonesians, he encounters an attitude which is "cautious, obscure, protective of foreign interests."

But what is this chronic condition? "An excessive dependence in all aspects of the nation's life on individual officials who are competent," he answered. His example was the problem of protecting the stove industry. There is a regulation that prohibits the import of stoves which are already produced domestically. "That is indeed as it should be. But why is there also a ruling on kinds of stoves which can only be imported with special permission?" The result is that "every time people want to import a type of stove which is allowed, they still must ask permission through an official. This permission-seeking process is long, uncertain and sometimes very expensive," he said.

In other words, the business world needs certainties. "Without certainties it is impossible to formulate plans. A bureaucratic attitude which is managerial and

supervisory produces secretive businessmen and closed companies. It only provides the business world with a stimulus to adventurism, and it paralyzes healthy companies." So stated Nono.

Of capital investment he warns that non-government labor-intensive projects depend on many factors. "usually Indonesians are offended when foreign investment brings old machines which need a lot of manpower."

Nono also touched on the labor problem. "If you increase the prospects for labor-intensive industries, you also increase management's quality control 'input,' which must be supported by capital investment. Labor must be guaranteed suitable wages. But when labor's demands strike the same note as in the countries of the northern regions, of course foreign investors will object."

Nevertheless, Nono Makarim agrees with the opinion which concludes that our foreign exchange reserves are still "overflowing." "Under pressing conditions the government easily can open up the import channel," he said. So he too feels "firm in the impression that Indonesia's economic prospect for 1982 actually seems to be more realistic, more sober"--provided that "the bureaucracy restrains itself from participating in every sphere of activity and that it can add a degree of certainty to non-government sectors."

9792
CSO: 8127/0728

KAMPUCHEA

DETAILS OF CURRENT KAMPUCHEAN AGRICULTURAL SEASON GIVEN

Hanoi QUAN DOI NHAN DAN in Vietnamese 7 Jan 82 p 2

[Article by Tuan Thanh: "A Great Victory on the Grain Front"]

[Text] This is the third principal production season since the escape from the genocidal regime. During the 10th month season of 1979, the country had just escaped from the genocidal regime. There were many difficulties but the Kampuchean peasants planted nearly a million hectares of rice and subsidiary food crops, and contributed importantly to opposing hunger and stabilizing living conditions. During the second principal production season, Kampuchea planted nearly 1.5 million hectares, including more than 1.3 million hectares of rice, and the resounding victory of that season contributed decisively to overcoming the hunger left behind by the Pol Pot regime and bringing the country into a period of stability. The production plan of this, the third year, is intended to rapidly and fundamentally resolve the country's grain problem and create a basis on quickly attaining the highest previous level: 2.5 million hectares of rice.

All provinces in the country had strong determination to carry out the planting plans as well as the implementation measures. Battambang, the rice basket in the west, drafted a plan to plant 300,000 hectares of rice and subsidiary food crops, and increase of 50,000 hectares over the plan for the principal season in 1980. Takeo Province endeavored to plant 390,000 hectares, a considerable increase over the previous season. Kampot Province planted 90,000 hectares of rice, an increase of nearly 10,000 hectares over last year. Kompong Cham, Kompong Thom, and Svay Rieng provinces are endeavored plant between 110,000 and 170,000 hectares, an increase of tens of thousands of hectares over the previous season. In addition to the National Agricultural Conference, before beginning the production season the provinces, in order to unify directions, plans, and implementation measures, rapidly organized agricultural conferences to concretize the missions of the localities and recapitulate experiences of the victorious 1980 production season. The material-technical conditions were prepared urgently and promptly. Kratie Province repaired 330,000 plows and harrows and more than 10,000 nonmotorized transportation vehicles. Battambang Province promptly repaired 180,000 plows and harrows, sent to the localities 700 tons of phosphorous fertilizer produced by the Mongcun Baray enterprise in the province, and positively repaired the major water conservancy projects in the province. Pursat Province sent to the villages 2,000 tons of seed rice and sent additional tractors to the rice areas. Siem Reap Province held many technical supplementation classes for agricultural guidance cadres in the base-level localities. Takeo Province distributed many pumping

machines and more than 2,000 tons of chemical fertilizer to the localities. Kompong Cham set up the Vihear Thom and Tunpai Khleang pumping stations and repaired 13 reservoirs and dozens of dams in many districts to serve the planting of thousands of hectares. Nearly all the provinces dredged most of the old canal and ditch systems and dug tens of kilometers of new ones. Under the light of the Fourth Congress of the Kampuchean Revolutionary People's Party, the entire nation enthusiastically began the production season. The localities concentrated labor and materials on the fields, rapidly planting the floating rice area, and stepping up plowing and harrowing and the main rice planting. In the drought-stricken areas the water sources were fully utilized in irrigating the fields. Kompong Cham Province, in which many areas were affected by heavy rain, promptly drained the excess water and maintained the planting rate. Three months after beginning the season the nation as a whole had planted nearly 800,000 hectares of rice and planted tens of thousands of hectares of subsidiary food crops.

Battambang Province planted 200,000 hectares -- nearly 70 percent of the plan -- and Kompong Cham Province planted more than 100,000 hectares, which was more than 75 percent of the plan. By the end of August such districts as Memot and Stung Treng in Kompong Cham Province had considerably surpassed their plans. Memot District surpassed its plan by 4,000 hectares. By the end of September Battambang, Kompong Cham, and Kompong Chhnang had attained 91 to 95 percent of their planting plans. Kratie and Ko Kong Provinces, which experienced many difficulties in planting, attained 80 percent of their planting plans. The area around Kompong Som City surpassed its plan by 9 percent in mid-September.

In contrast to the principal production seasons of the past 2 years, especially 1980, which had favorable weather conditions, terrible natural disasters were encountered during this year's production season. At the beginning and middle of the season most of the rice areas in the country suffered a severe drought. The unplowed land was dry and the paddies that had been plowed and harrowed, or transplanted in rice, lacked water. Furthermore, in some areas excessive rain caused flooding and made it difficult to plant. In July and August many areas along the Mekong River system and most of the rice and subsidiary food crops planted at the beginning of the season were damaged. With the strength of a people who had been liberated, and had been mobilized and provided much assistance by the people's administration, the people of Kampuchea concentrated all of their energy in overcoming natural disasters in order to produce. Many places in the provinces of Takeo, Kompong Speu, Svay Rieng, and Prey Veng had no rain for 2 or 3 straight months and a large part of the rice seedlings and transplanted rice were damaged. The people of Takeo mobilized thousands of water buckets, repaired or built 2,900 water wheels, dug tens of kilometers of canals and ditches to bring water to the fields and save the rice and seedlings, and continued to plant. In many places the people carried in water to irrigate the rice seedlings and rice. The people of Prey Veng used more than 2,200 water wheels and wove tens of thousands of baskets in order to bail water and fight the drought. The Ba Bolum and Lovia pumping stations were promptly repaired. Many districts sent mobile pumps to the villages to help the people fight drought.

Under the old regimes the peasants of Kampuchea were usually helpless in the face of natural disasters. When major natural disasters occurred during this year's production season the peasants of Kampuchea received especially great assistance

from the people's administration under the new regime. The revolutionary state mobilized everything it had to help the people fight drought and water logging and to maintain production. Before the production season began the Ministry of Agriculture distributed 5,500 tons of seed rice to localities in the provinces in the rice-growing area. It sent 218 tractors and organized four tractor teams to plow the ground and help the provinces bordering Tonle Sap.

The sectors serving agricultural production produced and sent to the localities more than 150,000 mattocks, thousands of carts, insecticide sprays, etc. In mid-August the Ministry of Agriculture sent to the localities heavily affected by drought 9,000 additional tons of seed rice and 800,000 liters of POL to operate pumping machines, and sent 160 additional pumping machines to many districts in Kandal and Takeo provinces. In mid-season the Kampuchean state provided the peasants with 18,300 tons of seed rice, 43,000 tons of chemical fertilizer, more than 2 million liters of POL, more than 1,000 pumping machines and many other materials to fight drought and waterlogging, and promoted the planting and tending of rice. In addition to providing material-technical assistance, the Central Committee of the Kampuchean Revolutionary People's Party appealed for the various categories of people, troops, and cadres, to concentrate their efforts and all facilities on fighting drought and flooding and in helping the peasants to produce. The Party Central Committee and the state directed the sectors and echelons to put off the unessential tasks and concentrate on serving agricultural production and fighting natural disasters. The ministries, sectors, organs, and mass organizations at the central level sent thousands of cadres and workers to the provinces and localities and sent nearly all of the students and an important part of the cadres and workers of the organs and enterprises to the rural areas to help the peasants fight drought and maintain production. When the level of the Mekong River rose at Phnom Penh tens of thousands of people, cadres, workers, civil servants, and troops helped embank dikes to hold back the flood water and protect the crops. During 3 months of helping the peasants fight natural disasters, the transportation sectors in the country transported 48,000 tons of agricultural materials and essential goods to the peasants in order to promote production.

According to a preliminary recapitulation report at the end of September by the Ministry of Agriculture, thanks to the great assistance provided by the state the peasants of Kampuchea were able to save more than 50,000 hectares of rice affected by drought: a number of provinces heavily affected by drought were able to save tens of thousands of hectares of rice; and tens of thousands of hectares of flooded rice in the provinces of Kompong Cham, Kratie, Kandal, and Kampot were protected. According to official news of the SPK News Agency on the results of the current production season, despite serious natural disasters many provinces with large rice areas attained or nearly attained the planted acreage plans, and many villages and districts considerably surpassed the acreage plans. Battambang, a rice province, attained this season's plan of 300,000 hectares, which was an outstanding accomplishment. It may be affirmed that thanks to the all-out assistance, and the mobilization and organization, of the new regime, the peasants of Kampuchea overcame serious natural disasters during this year's production season and are enthusiastic as they begin the harvest.

The results of this year's rainy season production are a great accomplishment of the Kampuchean people in the great task of defending and building the nation. That

victory contributes to consolidating the now-stabilized situation in Kampuchean, and is strongly stimulating the Kampuchean people to make even greater efforts on the agricultural production front.

5616
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EDITORIAL ON SIND VOICES CONCERN OVER SECTARIAN CLASHES

Karachi JANG in Urdu 16 Jan 82 p 3

[Editorial: "Sind Governor's Assurance"]

[Text] The assurance of the governor of Sind, Lt Gen S.M. Abbasi, that the government will take effective measures to maintain harmony among sects and apprehend those vicious elements which are destructive to it is very significant. During a meeting with the delegates of Shiah and Sunni scholars, the governor reiterated that it has always been the policy of this government to protect the sanctity of the place of worship of every sect, and the government will adhere to this policy in future. Regardless of their denominational affiliation, the government will take severe action against all such elements which hurt the feelings of other religious groups. He said that unity among all Muslims is the most essential requisite of the hour. He assured the scholars that the government will review and solve the problems concerning the organization of religious celebrations.

The need for unity, as pointed out by the governor, is urgent in view of the dangerous situation created by the expansionism on Pakistan's frontiers. Each one of us must realize the significance of this unity. The only objective of Muslims in this world, both individually and collectively, is to bear witness to the truth of Islam and to present in practice the true picture of Islam by establishing the Islamic structure and through the formation of Islamic social order. This task can be performed only if our religious scholars and the public put aside their differences and unanimously strive for this great objective. Only such struggle can protect them from entanglement in denominational controversies. We are suppressed in the world today because we have divided ourselves into different communities based on origin, race and creed. Furthermore, deviating from the real objective and fundamental principles, we have involved ourselves in subsidiary issues. The majority of us have interests centered around petty differences. Thus, instead of being a single body and an international community, we have divided ourselves into different nations and communities. That is why we are weak today and the big powers are using us to achieve their goals. They want the Muslim nations to be involved in continuous warfare against each other and sectarian prejudice to persist in every Muslim nation.

Our public and scholars must realize this fact and strive in every possible way to create an atmosphere of unity and oneness. Our suggestion in this regard is that a united community council, consisting of scholars of every sect, should be formed with the president, Gen Muhammad Zia-ul-Haq himself, as its head. In the provinces,

the governors should be the leaders of these councils. This council should draft a resolution for unity and oneness. On holy and sacred occasions, especially, it should organize programs which would include scholars of all Muslim sects participating side by side. This council would also be able to solve very appropriately the problems of organizing religious functions. It would be a source of discouragement for those elements which are continuously engaged in spreading sectarianism. At the same time, it would be able to suggest effective measures for the eradication of the disruptive elements, which for personal gain and under foreign direction plot to spread disruption and rioting.

In conclusion, we request the government to make every possible effort to trace and bring to justice the malicious element which was responsible for the sad incidence of sectarian clashes among Muslims on a happy and blessed day celebrating the Holy Prophet's birth. Such a vicious act could not be expected of any Muslim, no matter what sect he belongs to. Only a heretic or a satanic element could do such a thing. It is essential to discover and punish this element in such a way as to provide a lesson for others; otherwise, such a disruption will occur again and this element will commit a similar loathsome crime. Creating divisions among Muslims and trying to shatter their unity is a severe crime in the eyes of God and His prophet, Muhammad (peace be upon him). Such a crime-committing element has no right to live in Pakistan or among Muslims.

9779

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ARTICLE ASKS FOR REAL REASONS FOR DELAY IN ELECTIONS

Karachi JANG in Urdu 16 Jan 82 p 3

[Article by Irshad Ahmad Haqqani: "Explanation of the Real Obstacle Hindering Elections Is Necessary; the Real Obstacles Preventing Elections Are Either the Absence of a Plan of the Islamic Democratic System or Internal or External Situations; an Explanation Is Necessary"]

[Text] The whole country must have heard the announcement of President Gen Muhammad Zia-ul-Haq, at the opening session of the Federal Advisory Council, that with regard to the restoration or enforcement of democracy, he is still at the same point where he was on 5 July 1977, when he took control of the country. Just as his objective at that time was to hand over the power to a representative government by holding the earliest possible elections, his aim is the same today. However, just as in the past, there are even now some obstacles hindering the achievement of this objective. It is therefore impossible for him to take an immediate or quick step forward in this direction.

There may be a similarity between the positions on 5 July 1977 and on 11 January 1981, but there is a difference which can be appropriately pointed out here. At that time, the president said that within a few days he would announce the schedule of elections. So, he made the decision to hold elections within 90 days. Later on, however, he had to alter this decision, saying that a military government would not prosecute former officials and politicians. Thus, for the sake of arraignment, he broke his promise to hold elections within 90 days.

The situation in January 1981 is that the president's basic aim of handing over the government to the representatives of the people remains unchanged, but the obstacle now is that "the existing conditions are not favorable for holding elections." This has been the case for the past several years. The president, therefore, is now trying to promote a suitable environment for elections. As soon as these conditions exist, he will hold elections because, according to the president, "any person who rejects the participation of the people in the government and politics is unaware of the demands of the modern era, and life's swift waves will sweep away those who are an obstacle in the way of democracy, like a floating straw". This, indeed, is a very clear and blissful pronouncement. However, one thing is not clear to many people, and in spite of the president's previous and recent statements, it needs clarification. It is necessary to know whether the nonexistence of a clear conception and format of an Islamic political system is the obstruction in the way of holding immediate

elections and moving toward an Islamic democratic system is impossible in the absence of such a format, or whether the country's internal and external condition is the major factor impeding the elections. At times, people opposed to elections suddenly say that subversive elements are active within the country, that Al-Zulfiqar's terrorism is a threat to the country. The election fever becomes a source of destruction to peace and harmony. The past elections proved deleterious to the country. For the time being, therefore, the country cannot endure another such election experience. At times, those people come up with another argument saying that we are faced with danger on our frontiers. Russia is knocking at our doors, while Mrs Indira Ghandhi keeps on threatening us with war. In the existing situation, therefore, Pakistan cannot afford the "luxury of elections."

The impression among some circles about the holding of the Advisory Council meeting is that this has really initiated the political activity of a certain school of thought. In other words, the advisory members have been granted permission for political activities. These circles consider that this permission should not be unilateral and that other schools of thought should be given the same opportunity. Nevertheless, when the government regards the establishment of the Advisory Council as a transitional period leading to restoration of democracy, under certain conditions, the question of granting permission for political activities should be reviewed so that the act of marching forward toward a perfect democratic era may actually commence.

It is not clear now whether the real obstacle is the ambiguity of the plan for an Islamic democratic system according to the government's conceptions, internal terrorism and incidents of disruption and their dangerous consequences, or the intentions and hidden motives of Russia and India. Which is the real cause among the three? So far, these three factors have been discussed when the occasion and need has arisen. It is possible to reply that all three factors are impeding the elections. In that case, we will have to wait for the eradication of all three of them. However, if the first mentioned factor is the only answer, the public should be informed about it, so that they can concentrate their attention on when the Advisory Council will outline a plan for an Islamic democratic system, followed by the stage of holding elections. It would be preferable if a spokesman or responsible person from the government would clarify the matter so that we could know where we stand and what the conditions for marching forward are.

As far as the search for a comprehensive plan for an Islamic democratic system is concerned, obviously none of the circles in Pakistan wants the legislature to be without guidance and to be given the total right of law-making. The main criticism against Western democracy is that to govern is regarded as the right of the majority and no restriction on it is acceptable, while in Islam, total supremacy and authority is for God alone. No legislature of any Muslim country can make law while ignoring Islamic injunctions. Such a restriction exists in all our cancelled and abrogated constitutions. Next, democracy consists of adult voting rights, political parties and conditions for candidacy. The current government recognizes the voting rights of adults and it intends to restore political parties. Candidacy is the only point remaining. If there is any objection in this regard, a substitute form or specification of the qualities of a candidate can be outlined in a short time. This work should have been accomplished a long time ago. Besides, it is not clear to the

ordinary person what sort of plan for an Islamic democratic system the government is seeking, and he believes that the problem of the Islamic democratic system has without any reason become a riddle and a dilemma.

9779

CSO: 4203/52

VIGILANCE AGAINST SPREAD OF SECTARIANISM ASKED

Karachi JANG in Urdu 16 Jan 82 p 3

[Editorial: "Internal Security and Unity"]

[Text] Federal Minister of Internal Affairs Mahmud A. Harun, opening the discussion in the Advisory Council on internal security, said that anti-Pakistan elements and people lacking conscientiousness are trying under foreign direction to disrupt the peace of the country. The government, on the other hand, is determined to maintain peace and unity at all costs. People involved in the destruction of peace will be severely punished. The minister also sharply criticized those elements which encourage sectarianism in order to promote their own leadership. While expressing concern over some sectarian disturbances, he said that people prone to spreading sectarianism have caused turmoil in the country and the nation even on holy occasions. Just as the disruptive elements are bold enough to use any available destructive method, similarly, the sectarian-minded people do not realize that such actions of theirs will ruin the country and affect the future generations. In case of a deteriorating situation, God forbid, where can we go and find peace of mind? The minister of internal affairs expressed his satisfaction that on the whole, our people are fully aware of the intentions of such anti-Pakistan elements. They will never support such elements nor will they overlook their crimes.

The point stressed above by the minister for internal affairs is very fair: the people whose activities are dangerous to the internal security are connected with destructive elements acting under foreign direction and also with people who keep on instigating hatred among sects in order to promote their own leadership. In fact, Pakistan is not so much in danger from any aggressive expansionist power as it is from such selfish and unprincipled elements. In the past, our enemies destroyed us by instigating regional and linguistic prejudice. They were the cause of shattering our unity, and an expansionist power through armed aggression gained the opportunity of dividing the country. We believe that those people who spread hatred among sects are more dangerous to the internal security and unity of the country than the disorderly elements. It is not so difficult to trace and eradicate the lawless elements, but it is extremely arduous to capture people who spread sectarian hatred since they disseminate the poison of sectarianism by pretending to be well-wishers, patriots and supporters of religion and good morals. Only the cautious citizens and vigilant people in Pakistan who well recognize the disruptive and riotous elements, no matter in what form they appear, can combat them. These cautious citizens and watchful people of ours, regardless of sectarian differences, can eradicate those elements

by rejecting the people who spread sectarianism and by refusing to listen to a conversation full of prejudice and hatred. However, the government should be watchful of those elements for whom spreading the prejudice of sectarianism has become a way of life, which provides them with material and worldly benefits. For their own self-interest, these elements become instruments of those powers which are constantly busy conspiring against Islam and Pakistan. The government, exercising strict vigilance, should make clear to those who spread sectarianism that they can no longer freely pursue their business of spreading hatred.

9779

CSO: 4203/52

AIR FORCE CONTINUES EXERCISE JETSTREAM

Karachi DAWN in English 13 Feb 82 p 10

[Text]

ISLAMABAD, Feb 12: The rival air forces brought intense pressure to bear upon each other in a bid to wrest the initiative from the opposition as exercise Jetstream 1982 entered the seventh day on Thursday.

The Chairman, Joint Chiefs of Staff, General Mohammed Iqbal Khan, the Vice Chief of the Army Staff, General Sawar Khan, and the Chief of the Naval Staff, Admiral Karamat Rehman Niazi, accompanied by their senior staff officers, paid a visit to the Command Operations Centre of the Chief of the Air Staff in Islamabad on Thursday to acquaint themselves with the nature, scope and conduct of the exercise.

They were received at the COC by the Chief of the Air Staff, Air Chief Marshal Mohammed Anwar Shamim.

At a detailed briefing on the occasion, the Air Officer Commanding, Air Defence Command, Air Vice Marshal Khurshid Anwar Mirza, explained the concept underlying the present

exercise and apprised the distinguished visitors of the picture of the air and land battles that had so far emerged. He also told them about the composition and development of opposing forces, method of control and evaluation being employed at the Command Operations Centre as well as results of air and ground operations.

The briefing gave rise to a discussion of the lessons that were emerging and of the ideas that were being generated about finding answers to problems and exploiting advantages to a fuller extent.

Speaking on the occasion, Air Chief Marshal Shamim underlined the unique features of the exercise and the gains accruing from it. In this context he stressed the importance of training commanders at all levels. He also spoke of contemplated measures that were designed to increase the functional effectiveness of the PAF and to promote greater cooperation and understanding among the three services.—APP.

CSO: 4220/254

JI LEADER SAYS NO JUSTIFICATION FOR MARTIAL LAW

Karachi DAWN in English 12 Feb 82 p 18

[Text]

There is no justification, moral or legal, for a military rule, Mr Mohamed Aslam Parveez, a defunct Jamaat-i-Islami leader, said in Karachi on Wednesday.

In a statement, he dismissed the Federal Information Minister Raja Zaharul Haq's contention that all political leaders, including the late Mr Bhutto, had invited the army to assume power.

He said he could not say about others, but about his party he was convinced that "it would never prefer an army rule to even the worst type of a democratic set-up."

The defunct JI, he explained, had always maintained that the army should not get itself involved in politics. Accordingly, during the dialogue with Mr Bhutto in April, 1971, it had been the defunct JI's effort, right from the beginning, to make the political negotiations successful

so that no "pretext" was left for the army takeover, he maintained.

Mr Parveez said there was no denying the fact that under the Martial Law no democratic process could be regenerated.

Abdul Raja Zaharul Haq's views on the promulgation of a draft Constitution (of Islamic democracy) before the MAJlis-i-Shura, Mr Parveez said, a nominated body could neither formulate opinion on an important document like the Constitution nor would it venture to amend it.

Referring to the Information Minister's statement that the situation in Pakistan would not be allowed to improve to the extent it did in 1971 and thereafter, Mr Parveez said "whether the people of Pakistan were required to create conditions similar to those in 1971 for the restoration of their Islamic and legal right of freedom."

CSO: 4220/254

NO-TRUST MOVE AGAINST HYDERABAD MAYOR

Karachi DAWN in English 12 Feb 82 p 1

[Text]

HYDERABAD. Feb 11: Twenty-one HMC councillors have filed a written petition to the Secretary, Local Government, to call a special meeting of HMC Council to consider no-confidence motion against the Hyderabad Mayor, Maulana Wasi Mashar Nadvi.

The notice was served under Section 27 of the Sind Local Government Ordinance 1978 read with Rule 3 of the Sind Councils 'Vote of No-Confidence' Rules, 1980.

The motion reads "in accordance with the provisions of Section 27 of Sind Local Government Ordinance 1978, this Council of Hyderabad Municipal Corporation expresses its no-confidence against the present Mayor, Syed Wasi Mashar Nadvi".

This formal service of the notice required under law has come about after weeks of mudslinging, allegations and counter-allegations for and against the Mayor.

According to law, the Secretary has to convene a special

meeting of the HMC Council within 14 days of the receipt of notice to consider the no-confidence motion.

The notice was served on Feb 10, 1982.

Two-thirds majority, 41 votes out of a total strength of 61 councillors, would be required to carry through the motion.

Those who have signed the petition for calling the special meeting are:

Pir Ghulam Basool Shah Rafi, Syed Mohammad Saleem, Syed Sajjad Ali, Mohammad Qasim Sheikh, Syed Ahsan Ali Shah, Nasar Mohammad Sheikh, Syed Nasir Ahmed Ashrafi, Shaukat Ali Beg, Ghulam Sarwar Qureshi, Mohammed Aslam Amran, Abdul Aziz, Mohammed Yaqub Khan Gaddi, Ahmed Shah Khattak, Mohammad Ramzan, Arain, Nizam Khan, Mohammad Siddiq Qadri, Aftab Ahmed, Chaudhry Mohammad Zulfiqar, Mohammed Bashir Khan, Mohammed Yousuf Qureshi and Sabatullah Shahzad Hussain.

CSO: 4220/254

CONTINUING POLITICAL CURBS CRITICIZED

Karachi DAWN in English 12 Feb 82 p 18

[Text]

There was no justification for continuing curbs on political activity in the country as the situation was most congenial for lifting of such restrictions, Mir Haas Khan Bijarani, a former Information Minister of Sind and a leader of defunct PPP said in Karachi on Thursday.

Talking to newsmen, he said his party did not have high hopes or expectations from the present Government regarding lifting of restrictions on political activity. "However, it would have been in the national interest if these restrictions would have been lifted so that the country could move towards the goal of restoration of democratic rule", he added.

He recalled that since the holding of Local Bodies elections in 1979 the situation in the country had remained peaceful. In reply to a question, he denied reports appearing in a

section of the Press about any differences between Begum Nusrat Bhutto and Mr Ghulam Mustafa Jatoi.

Commenting on the statement by Mir Resul Bux Talpur, Senior Minister of Sind that the 1973 Constitution was framed by a non-democratic government, he said the Parliament which unanimously passed the Constitution was the first to have been elected on the basis of direct adult franchise.

Mr Bijarani said that Mr Resul Bux Talpur who held the office of Governor and senior adviser in the defunct PPP Government, never objected to the 1973 Constitution while he remained in office and even took oath of his office under that Constitution.

He said all political parties in the country were demanding that elections be held under the 1973 Constitution.

CSO: 4220/254

ZEHRI SUGGESTS ELICITING PUBLIC OPINION

Karachi DAWN in English 11 Feb 82 p 10

[Text]

RAWALPINDI, Feb 10: Mir Nabi Bux Zehri, head of the defunct Jeeway Pakistan Party, has suggested the setting up of a high-powered commission which should be entrusted with the task of eliciting the public opinion about the future political set-up in the country.

Addressing a news conference here on Wednesday, he said that the composition of the commission should be decided by President Mohammad Zia-ul-Haq himself.

He said the commission should comprise clear-minded people and reach all sections of society as well as politicians to record their opinions regarding the holding of general elections, Islamic democratic system and other related issues.

On the basis of these opinions, he said, a comprehensive report be prepared and the commission should make recommendations for the future political system to the President.

He said that on the basis of this report, the President should meet moderate and patriotic like-minded politicians and an adjustment could be reached.

Mir Zehri said the whole process should be completed within three months after the setting up of the commission and, in the meantime, the former Senate should be revived or a new one be nominated. He suggested that at least 100 persons from different walks of life should be included in the nominated Senate from the four provinces on equal representation basis.

He said this would restore the confidence and understanding among the smaller and bigger provinces and help bring the people of the four provinces near each other.

Mir Zehri said the formation of Majlis-i-Shoora was a very good step which must be appreciated as it served as a forum to associate the people in the affairs of the State.—PP1.

CSO: 4220/253

PROGRESS IN TALKS ON ALLIANCE REPORTED

Karachi DAWN in English 11 Feb 82 p 1

[Text]

Talks between the MRD and the JUP-PML alliance on the modus operandi of the transfer of power climaxed on Wednesday to a "point of understanding", spokesmen of both the camps confirmed.

The moot point of these daily shuttlings between the JUP's Shah Faridul Haq and the MRD's Khwaja Khairuddin and Mr Fatahyab Ali is believed to have revolved round the lifting or dilution of the Martial Law.

Both the MRD's convenor, Mr Zainul Abadin, and the JUP-PML negotiator, Shah Faridul Haq, told "Dawn" on Wednesday of the flexible approach to what they called, a "political consensus".

In this connection the proposals on either side are stated to have been put in "black and

white", and are being assiduously studied by the respective participants.

Mr Zainul Abadin conferred with Khwaja Khairuddin and other MRD leaders on Wednesday. On the other hand, Shah Faridul Haq called on Pir Pagaro in the morning for the second time. Shah Sahib proposes to meet Sardar Sherba, Nazari on Thursday to pave the way further.

Mr. Zainul Abadin said the defunct JUP appeared confident that Pir Pagaro would finally endorse the Noorani formula, and Shah Faridul Haq said that Pir Sahib was satisfied the way talks had been going on.

The MRD convenor said that if a "consensus" was arrived at with the PML-JUP alliance, it would be a "great boon" for the nation.

CSO: 4220/253

EDITORIAL SUGGESTS NATION'S ECONOMIC DEVELOPMENT NOT GENUINE ACHIEVEMENT

Karachi JANG in Urdu 7 Jan 82 p 3

[Editorial]

[Text] Pakistan's Minister of Finance Ghulam Ishaq Khan, addressing a conference of Pakistani ambassadors, spoke of economic achievements attained during the past 4 and 1/2 years. He described the economic performance as a great achievement and said that there has been a 6.2 percent increase in the gross national product in the past 4 and 1/2 years, as against an average annual increase of 3.7 percent in the gross national product earlier during a period of 7 years. He said that in the matter of food production the country had achieved self-sufficiency, there had been a record increase in food exports, the public sector after reorganization had started earning profits, the investment facilities provided to the private sector had produced encouraging results, annual exports had increased by 15 percent and inflation was under control.

The picture drawn by the finance minister about economic performance during the past 4 years is one of great achievement. Because his assessment is based on facts and figures, it cannot be said that he was indulging in exaggeration or that he was lacking in his description in any way. There is no doubt a big difference in the results achieved during the latter 4 and 1/2 years and the earlier 7 years. The positive changes in the economic situation and the developments achieved have also been confirmed by world organizations. But our finance minister did not present the other side of the picture that is related to the vast majority of the poverty-stricken people. He did not provide information as to how much of the economic development achieved during the past 4 and 1/2 years was used for improving the lot of the poverty stricken people, victims of unemployment and inflation. This section of the people learns about the economic developments achieved by the country through statements and speeches of the authorities in the newspapers. But when these people find that they and their families have not in any way benefited from these developments and, on the contrary, increasing inflation has made life still more difficult, they find it hard to believe the claims of progress and brilliant economic performance. Similarly, when they hear about claims of increased industrial production in the private sector, they naturally expect the prices of ghee, cement, gas and other commodities to come down. With the good news about economic development and increase in production they are also told about the spiraling costs then their frustrations know no bounds. And when they are told that investments and production in the private sector have increased, they expect the

prices of products in the private sector to come down. But after every few days they hear about the price hikes. In the same vein, when they hear about self-sufficiency in food they expect price of food to come down, but on the contrary they find the prices of food increasing too. Under these circumstances many families, to make both ends meet, are forced to send their children to work when they should be going to school.

From these facts it is evident that the economic development of our country is not real, that it cannot be said to be the prosperity for all the sections of the people, but only the progress of one particular section: the wealthy, the industrialists, big businessmen, landlords and high-ranking officials. As a result, wealth is not distributed fairly among the people but is accumulated in the hands of the privileged few. Even the collective institutions to which the people look for their needs are not getting their due share of the development achieved by the country. Just look at the lamentable conditions of the schools where the children do not even have the necessary facilities for sitting, or the hospitals where the patients do not have access to the proper equipment for treatment.

Together with these deprivations, the people are facing a series of price hikes. An increase in the price of gas was followed by an increase in the price of cement. Increasing the cost of electricity is also under consideration. Now the private sector will take full advantage of this situation and will raise the prices of its products, regardless of the fact that there is no need to do so, while there will not be any increase in the wages of workers. After great endeavour when wages of the workers are increased just to appease them, another wave of price hikes would have come into effect. Under the circumstances, talk about economic development by the bureaucracy could be considered merely talk that everything is fine.

We have no doubt become self-sufficient in food because of increase in the production of wheat, but our authorities are fully aware of the jolt we received because of recent lentils crisis. Fertilizers and agricultural equipment bought at higher costs are being provided at subsidized rates, farmers are being provided millions of rupees in loans. Burden on our economy resulting from foreign loans has surpassed limits of endurance. It is clear that self-sufficiency achieved under these circumstances cannot be described as real, secure and permanent self-sufficiency.

These circumstances demand that we should work out a plan of action to attain real self-sufficiency and real economic development and prosperity that would benefit people from all walks of life. The scale used by the finance minister to measure the economic performance in our country does show economic achievement. But the real scale we have for measuring prosperity in the country is the one by which increase in the conditions of the common man can be judged. If the scale shows that the conditions of the poor sector have not improved and that inflation and unemployment have further worsened their plight, then without fear of any contradiction we can say that our country is still far away from economic development and prosperity; and be it the private or the public sector, the people and the employees are not getting an equitable return from their

achievements. No doubt the prosperity of a very limited number of people is increasing, their property is expanding, and the number of their houses and cars is rapidly increasing and their children are receiving better and higher education, whereas the lower and middle class people have difficulty in meeting even their basic requirements.

We will acknowledge that our country has achieved great economic goals and prosperity only when we see for ourselves that all the classes of people have duly benefited, we will admit development in the agricultural sector when we see that agricultural production increased without incurring foreign loans. Similarly we will believe in progress in the industrial sector when soaring prices are brought under control, prices of consumer goods, instead of rising, register a downward trend, when instead of halting recruitment and putting lay-aways into effect, new opportunities of employment are created, when people begging for alms disappear from the streets and thousands of youth graduating from educational institutions are able to find work without difficulty.

We earnestly appeal to the authorities to work out a revolutionary program of economic reforms to realize such prosperity. We also appeal to the capitalists and industrialists to change their attitude and work for bringing about equitable distribution of national wealth, thus making prosperity possible for the common man and at the same time eliminating the chances of elements awaiting to take advantage of restlessness to deviate the country from the right path. At this juncture one thing that should be uppermost in our minds is to accelerate our efforts for establishing a comprehensive Islamic system, because the Islamic way of life is the only solution for ending present economic inequities and enforcing fair distribution of wealth. Until the accomplishment of this task, the government should take effective measures aimed at reducing inflation and unemployment so as to ensure that all sections of the public are able to enjoy the benefits of progress and prosperity.

9315
CSO: 4203/50

INCREASING TAXES, ECONOMIC ISSUES ANALYZED

Karachi DAWN in English 11 Feb 82 p 7

[Article by Sultan Ahmed: "Increasing Tax Burden, Low Savings and Poor Investment"]

[Text]

THE NUMBER of tax payers in Pakistan may reach a million by June 30. This target is not difficult to achieve as the total number in the National Tax Register rose to nearly nine lakhs by December 31. In the first six months of this financial year alone 88,000 persons were brought on the tax register.

If the million target is achieved by June 30 the Income Tax Department would have done that a year ahead of the original schedule. Under the five-year plan the number of tax payers was to be doubled from five lakhs in 1978 to one million by June 30, 1983. The Income Tax Department can, hence, rightly claim this as a feather in its cap.

When the target of a million is reached by June 30 the position in Pakistan will be far better than in India. India, with a population eight times that of Pakistan, has now only 2.5 million tax payers. In fact, the trend in India has been the reverse. By raising the minimum income for tax purposes to Rs. 15,000 1.5 million income tax payers were let off the tax net and the total dropped from 4 million to 2.5 tax payers.

Not only the number of tax payers in Pakistan has increased rapidly during the last four years but also the overall amount collected as income and wealth taxes. This figure will jump from Rs. 265.5 crore in

1977-78 to an estimated Rs. 778.5 crore by June 30. That is an increase of Rs. 530 crore, or close to 200 per cent in four years. Clearly the amount collected is proportionately far larger than the increase in the number of tax payers. Clearly the per capita payment among the tax payers has increased very substantially.

Does all this reflect the efficiency and assiduousness of the Income Tax officials, or far more? Clearly it is also the result of inflation as wages and salaries have gone up, and so also the profits earned by trade and industry. The taxable amount as wages or profits is now much larger than before as the old scale of taxation has been retained instead of being readjusted to accommodate the hardship conditions of the fixed income group arising out of the sustained inflation.

The small men

Significant, indeed, is the fact that income tax collection has risen by nearly 200 per cent in four years when the farmers who constitute about 70 per cent of the population do not pay any taxes, nor do the dependents of Pakistan's emigre workers who receive annually above 3,000 million dollars in cash and kind, and sell much of the consumer durables they bring in. Income, corporate, wealth and gift taxes become largely city levies, although the cost of living in the cities is far higher than in the villages.

It is also a fact that the number of tax payers has been raised to one million by adding thousands of small income earners to the tax register, while the big fish are able to enjoy a variety of immunities or evade taxes pretty blatantly. And that gives a sharper edge to the protests of the small men in the fixed income category who feel the pressure of taxation heavily.

The fact today is that not only income tax revenues have shot up within a short period but also all other tax revenues. Overall tax revenues have jumped from Rs. 1,929 crore in 1977-78 to Rs. 4,178 crore in 1981-82 - an increase of nearly 115 per cent in four years.

Revenues from Sales Tax have jumped from Rs. 161 crore in 1977-78 to Rs. 400 crore in 1981-82 - an increase of 150 per cent.

Customs revenues have risen from Rs. 794.5 crore in 1977-78 to Rs. 1,714 in 1981-82 - an increase of about 115 per cent.

Excise revenues have risen from Rs. 618 crore in 1977-78 to Rs. 1,126 crore in 1981-82 - an increase of about 80 per cent.

Gross federal revenues, including the provincial share of taxes, rose from Rs. 2,589 crore in 1977-78 to Rs. 5,222 crore in 1981-82 - an increase of over a hundred per cent.

And the net federal revenues have risen from Rs. 2,219 crore in 1977-78 to Rs. 4,347 crore in the current

year - an increase of about 90 per cent.

The increase in Gross National Product during the four years has been on an average of six per cent, or over 25 per cent for the four years together, including the estimated 6 per cent for the current year. But the increase in gross federal revenues has been over a hundred per cent and that spotlights the increasing incidence of taxation in Pakistan, and the sharply rising per capita burden of taxation.

There have been constant pleas for the minimum income for income tax purposes to be raised from Rs. 12,000 to Rs. 20,000. There was the confident hope that Finance Minister Ghulam Ishaq would announce some such relief when he presented the current budget in June last; but he came up with a marginal relief on a selective basis for the large investors and ignored the pleas of the small income groups, which were backed by the Karachi Chamber of Commerce and Industry as well.

Purchasing power

The minimum income of Rs. 12,000 which is taxable has a purchasing power of less than Rs. 3,000 in the 1960s the minimum taxable income was Rs. 3,000. But in those days, in addition to the relief on Rs. 3,000, there was the Earned Income Relief, the Personal Allowance and the Educational Allowance, which more than doubled the minimum taxable amount. In addition, investment relief upto 30 per cent of the income was exempt from taxation.

But today while the minimum income exempt from taxation is Rs. 12,000 no other allowances are permissible. Instead of the Educational Allowance for individuals, there is the Educational Cess on industries and business houses. And the investment relief has been slashed and made utterly meaningless, while in India the first Rs. 3,000 invested is totally exempt from taxation, the next Rs. 5,000 is taxed only 50 per cent, and thereafter the taxation is 40 per cent. This possibly - and partially - explains the high rate of savings in India - 23 per cent -

compared to Pakistan's dimly low savings rate of about 6 per cent.

The clamour for tax relief comes today not only from the small income groups but also from the entrepreneurs, who feel they can't invest far more or enough without substantial tax relief. The country today needs both the small man's savings and the big man's investment. It needs to reward the worker for his efforts and the entrepreneur for his investment and production.

The small man may not resent paying the high income tax, or the much larger indirect taxes, if he was getting something positive and readily in return. If the country had a social security system or the state was providing quality education or health services in full measure he will feel that he is getting value for his tax money. Such returns are not available to him for the taxes he pays, or the gross federal revenues which this year will be over 20 per cent of last year's Gross Domestic Product. So he is compelled to pay full taxes at the one end, particularly the 82 per cent indirect taxes that have inflated the prices of the goods he buys and also very high rates for the services that he seeks for himself and his family, including education and medical care.

The government can certainly meet the demands of the entrepreneurs for tax relief without losing its gross revenues. The fact is that today the burden placed on the corporate sector is very heavy. Out of Rs. 750 crore expected as income tax, Rs. 491 crore will come from the corporate sector, and only Rs. 264 crore as income and super tax of individuals. The corporate sector pays nearly twice as much taxes as individuals pay.

Excise revenues

On the other side, while income from all other sources has increased virtually by leaps and bounds, the Excise revenues have risen from Rs. 614 crore in 1977-78 to an estimated Rs. 1,126 crore in the current year, showing an increase of less than 80 per cent.

Finance Minister Ghulam Ishaq feels that the scope for increasing Excise revenues is large, and he

recently directed the department to intensify the collection. He has urged that officials who collude in such tax evasion should be punished as much as the evaders; but so far this has been more said than done.

Clearly the rise in industrial production and the enormous increase in the industrial raw materials imported are not reflected by a corresponding increase in Excise revenues. The rise has not been substantial even when after the rates of Excise duties have been increased steadily. In fact, more than anywhere else, the heavier the taxation the heavier has been the evasion in the Excise sector.

Industries Minister Elahi Bux Soomro complained this week that in spite of the varied investment and export incentives given to the leather industry it is stagnant. The same has been the case in respect of many other industries where the gap between industrial sanctions obtained from the government and actual investment is very large.

Why should not this large gulf between sanctions and investment be bridged by giving substantial tax relief, strictly for investment purposes? Mr. D.M. Qureshi, Managing Director of Bankers Equity, came up with a sensible and realistic suggestion when he urged recently that 50 per cent of the profits of the corporate sector should be exempted from taxation if only 15 per cent is given as dividend to the share holders and the balance is reinvested. Clearly, while the entrepreneurs have been urging an end to double taxation in the corporate sector, Mr. Qureshi has called for positive reinvestment incentives.

If the larger revenues are good for the government and can help to meet its higher expenses arising out of the soaring inflation, larger savings and higher investment are imperative for the survival of the country. The Finance Minister, instead, has chosen the proverbial course of trying to take all the golden eggs at one go and risk killing the marvellous goose in the process. Instead of letting the goose run free and taking the eggs patiently one by one.

TRADE WITH TUNISIA TO INCREASE

Karachi DAWN in English 11 Feb 82 p 1

[Text]

ISLAMABAD, Feb 10: Pakistan and Tunisia have agreed to increase volume of trade, launch joint ventures in mutually beneficial fields and step up level of technical cooperation.

This is stated in a protocol signed by the two sides at the conclusion of first session of the Pakistan-Tunisia Joint Commission for Economic, Trade and Technical Cooperation.

Federal Finance Minister Ghulam Ishaq Khan and the Tunisian Minister for National Economy, Mr A. del Aza Lafram, signed the protocol here this afternoon.

According to the protocol, the commission felt that there were possibilities of enhancing the bilateral trade. As a first step towards this end, it was decided to revise the lists of items annexed with the general trade agreement between the two countries signed in 1965.

It was agreed that there should be a more frequent exchange of trade delegations enabling businessmen to acquire knowledge of what the two countries could offer to each other.

The Tunisian side said that they would like to import larger quantities of rice and cotton from Pakistan this year. The deals in these respects would be finalised between the Tunisian authorities and the concerned Pakistan corporations. Tunisia will also import Pakistani wool and woolen yarn to expand its carpet making industry.

It was decided that Pakistan

would look into the possibility of importing rock phosphate and phosphoric acid from Tunisia which was producing sizeable quantities of these items.

The two sides agreed to examine possibilities of collaborating in textile industry and other industrial sectors for setting up joint ventures.

The Commission noted that there were good prospects of setting up a joint project for phosphatic fertiliser in Pakistan based on Tunisian phosphoric acid and technical assistance. Tunisia is quite advanced in this field while Pakistan does not have any significant phosphatic fertiliser industry at present.

In the area of technical assistance, the Tunisian side showed interest in securing Pakistan's help in woollen yarn manufacture which Pakistan agreed to provide.

Pakistan also agreed to provide experts to Tunisia to assist it in alleviating the problem of salinity which is affecting some of its cotton growing areas.

Both the sides noted with concern the absence of regular shipping services between the two countries. It was agreed that the national shipping lines of both the countries should consider this question in detail because of its importance for increasing bilateral trade.

After signing the protocol, the Tunisian National Economy Minister, with some members of his delegation, left for Karachi. —APP.

CSO: 4220/253

EMPLOYEE TRAINING REPORTED SATISFACTORY

Karachi DAWN in English 13 Feb 82 p 4

[Text]

ISLAMABAD Feb. 12: As many as 85 per cent of the employers and trainees have expressed their full satisfaction with the training programmes being conducted by the Overseas Pakistani Foundation, according to a survey.

Carried out by the officials of the Foundation, the survey was meant for the evaluation of the training programme, which was launched in January 1980 soon after the establishment of the Foundation.

Employers and trainees were circulated a questionnaire to assess trainee's gain, skillwise and financially, defects in the programmes and job status of OFF trained men as compared to workers from non-formal sectors or trained from other institutions.

The survey showed that 25 per cent were not satisfied and 42 per cent of the trainees remained unemployed till early last year.

A total of 1285 trainees were interviewed, during the survey—the tradewise breakup of trainees was:

electrician 26 per cent, plumber 37 per cent, welder 14 per cent, carpenter seven per cent, mason six per cent, steel fixers four per cent and mechanic six per cent.

The shortage of training material emerged as the biggest drawback in the OFF training programme while trainees also felt shortage of tools, practical training but the level of education was not a hindrance in the way of understanding of the courses.

PLUMBER TRADE

Regarding efficiency in the use of tools, the survey pointed out that overall result was better than satisfactory, except for plumber trade, which needed much of the attention in practical training. In plumber trade the practical training needed either to be increased or properly supervised.

The performance of the OFF trainees was found "slightly better than average" by the employers, the survey said. The

trainees on the whole were equivalent to other workers, who have spent about five years to reach this status.

Employers, however, found 35 per cent of OFF trainees below average and 26 per cent were termed as above average. The best performance assessed by employers is that of steel fixers, 48 per cent of them have achieved above average performance and 36 per cent average. The worst performance was shown by carpenters where 53 per cent are below average.

Of the total trainees, half of them are matric, 32 per cent middle, 13 per cent above matric and others' qualification was primary or below primary.

Most of the people selected a trade in which they found interest irrespective of what profession was adopted by their elders. Only carpenter trainees by and large opted for this profession by the way of inheritance. Sixty-six per cent of the people opted for electrician career because of chances of employment abroad.—APP

CSO: 4220/254

OIL TARGET OF 16,500 BARRELS LIKELY TO BE ATTAINED

Karachi DAWN in English 13 Feb 82 p 10

[Article by Rao Farman]

[Text]

TOOT (Attock), Feb 12. The Federal Minister for Petroleum and Natural Resources, Maj-Cdr (Rtd.) Rao Farman Ali Khan, has expressed the hope that the target of producing 16,500 barrels of oil per day till June 1983 would be successfully achieved.

He was talking to newsmen here today after visiting the Toot Well Nos 11 and 12 which have started producing oil. These wells are owned by the Oil and Gas Development Corporation (OGDC).

Rao Farman Ali Khan said that the country is presently producing 11,000 B/D. In addition, arrangements are being made to transport two thousand barrels of oil per day from Khasabhal to Karachi through tankers.

The Minister disclosed the fourth well at Khasabhal has the potential of producing five thousand barrels of oil per day.

He also hoped that with the finalisation of logistic arrangements, the target of 16,500 barrels of oil per day by June this year will be achieved.

The Petroleum Minister said that an agreement has been concluded with the National Logistic Cell for the transportation of crude oil from Khasabhal to Karachi.

If oil is found in a large quantity a pipeline will be laid, he added.

The total oil production from the Toot oilfield shot up from nine hundred barrels of oil to 2,150 B/D when the Wells No. 11 and 12 started producing twelve hundred barrels of oil

per day. The Well No. Twelve is a new well while No. 11 has been reactivated. Besides, exploration has been undertaken at Well No. 11 in oil, six wells are in operation in the Toot field.

The Minister also inspected the gas dehydration plant which was commissioned last month. In the plant over two million cubic feet of gas is purified daily and injected into the main SNQPL, thus further increasing gas production. Gas from Well No. 13 will also be purified in this plant. The plant has been set up with the grant assistance of the Canadian International Development Association (CIDA).

Later, addressing the OGDC workers the Minister announced a bonus equal to one month's salary for the workers in recognition of their brilliant success and urged them to accelerate their efforts to maximise oil production for achieving self-sufficiency in this vital sector of energy. He also lauded the role of the OGDC in the survey of oil bearing and providing structures to foreign companies in this regard. The Minister hoped that the OGDC would further endeavour to increase oil and gas production with a view of bringing prosperity and development in the country.

The Additional Secretary, Ministry of Petroleum and Natural Resources, Mr Masihuddin Chairman OGDC, Mr. M.H. Rizvi and other officials of the Ministry were also present during the Minister's visit.—[PP]

CONDITIONS ON KARACHI-HYDERABAD HIGHWAY DESCRIBED

Karachi DAWN in English 12 Feb 82 Magazine p 7

[Article by Azmat Ansari: "Road That Has Changed Face of Neglected Territory"]

[Text]

The 92-mile long Karachi-Hyderabad Super-Highway provides dramatic evidence of how a road can pull an entire region which had lived for centuries in darkness into the mainstream of progress.

The once utterly desolate, barren and arid land on both sides of the highway now throbs and pulsates with buoyant activity. Sabra Goth on the eight miles, once a small hamlet comprising a few huts, is now on the verge of becoming an important township in its own right.

Already it has one of the biggest truck stands in Sind where every day three thousand trucks on an average pull to unload their cargo of sand and shingle which they scoop up from the beds of the dry rivers and streams on both sides of the Highway.

Shingle and sand is auctioned right at the terminals which the gruff-voiced truck drivers told me was growing every day, and if it continued to grow, the way it is growing they said, it would make it impossible to let the traffic move on the road, at all.

Later, when I talked to the government officials in Karachi, they corroborated what the truck drivers had told me. They said that the figures that the Italian contractors had predicted for 1985 were already there now.

Buildings

Every 24 hours on an average 17,463 vehicles enter the Highway through the Tariq Plaza at the 18th milestone. The break-up: 1,455 passenger buses; 1,506 motor cars; 14,283 trucks; 39 motor cycles and 11,000 others.

Just across the Sabra Goth Bridge, one of the biggest markets of contraband goods has come into existence. First, I thought when I saw, about 75 cars parked in an unpaved square right in front of AJ Asif Square on Super Highway that I was seeing an auction ground of used cars.

I parked my car on the roadside and walked down to take a closer look at a string of shops which appeared more like 'jungle' from a distance. The first shop was selling smuggled machinery sets and electric appliances. The next shop had similar gadgets and glassware on display. The next three shops were not different from the first two. I thought that I had reached the end of the bazaar. Nothing much exciting about it.

I was on the verge of turning back when a shopkeeper said that the real bazaar starts ahead. As I turned left on the unpaved street, the bazaar began to unfold itself like an inidious vine.

I saw one freshly built brick and concrete shop after another, selling imported cloth, every conceivable type of foreign imported cigarette, but mostly smuggled

cloth. I counted two hundred shops, then I gave up counting.

I questioned two shopkeepers. They said the bazaar comprises more than 500 shops.

This was the very first mile after I had crossed the bridge. The rest of the journey was to bring before me profoundly interesting facts.

A villager near Jamb Goth told me that before the Highway was built, he and his family depended entirely upon rains for raising crops. Now the villagers had built tube-wells, and he himself had taken up employment with the Excise Department.

I could see a little distance away his rolled tent which he manned day in and day out to check vehicles coming on the dirt track from the Pakistan Steel Mills and beyond on to the Super Highway.

Poultry farms in hundreds have come up along but mostly two or three miles away from the Highway on both sides. I could count about a dozen poultry farms. They looked conspicuous with their white-washed pillars, their thatched roof and low structures.

Two miles away from the Highway, on Poultry Estate Number One several scores of farms are thriving. In fact, the poultry farming is so successful that another Estate in which plots of four acres each would be given to the farmers just as they have been given to them in Estate One is being set up.

A government official said, "If

it were not for poultry farms on the Super-Highway, we would have been starved for meat. Thanks to these farms, chicken which was once considered a delicacy is now a common man's dish." Although poultry farms also exist on the National Highway they are not as successful as the ones on the Super Highway, because the latter provides a faster and perhaps shorter route to Karachi.

No survey of fresh water pockets has been carried out but wherever water has been found, people, mostly eager industrialists and businessmen wanting to convert their black money into white money have sunk tubewells. Some orchards and farms are lush. A very green farm two furlongs from the Highway caught my attention. I got off the car and walked upto the farm.

Across a harvested patch of millet, I could see a large field of garden peas, and beyond another field perhaps of laceme which appeared from a distance sodden to the eyes. The trees in the distance were the guava and the mango, and still further were the date palms, and coconuts.

A government official whom I interviewed in Karachi later said all this is very well. There is progress everywhere along the highway. The farms are coming up, truckers stands and restaurants, but there is not one single petrol pump on this Highway. If you get stuck, you have had it.

Migration, accidents

The Super Highway seems to have had an adverse effect on the

growth of Hyderabadi. The town now has a growth rate of 2.60 per cent which is one of the lowest in the entire Sind. The growth rate of the town between 1961-72 was 3.17 per cent. The faster travel that the Highway provides has encouraged large scale migration.

People from Hyderabad can make it in less than two hours to Karachi. A lot of people even for their shopping come to Karachi from Hyderabad. Young people especially prefer to live in Karachi. Eight hours by train was a lot of distance, but two hours by car or four hours by bus is no distance at all.

Largely because of the Super Highway a lot of business activity that should have stayed in Hyderabad has moved to Karachi.

Why so many accidents on the Highway in the recent past? I asked some people in Karachi who have spent years analysing traffic patterns on the Super Highway. This is what they told me:

The road is built from Karachi west to east. The sun hits the drivers directly in the face often blinding them. Nine months in a year the wind blows from West to East and vehicles travelling from Karachi are invariably pushed by the wind to gain additional speed of between 15 and 20 miles.

This additional push makes the drivers misjudge the speed of their vehicles, and during overtaking they are prone to hit the vehicle coming from the opposite direction. The Highway experts told me that for

nine months motorists travelling from Karachi to Hyderabad consume less fuel and meet more accidents. Then the smooth surface of the road encourages the drug and liquor addicted truck drivers to throw all caution to the winds.

Most of the berm stones are now missing from the highway. This may also be one of the causes of accidents.

Only on paper

A large number of milestones instead of bearing a specific figure have now such slogans painted on them: 'Your life is more precious', 'A Little wait can defer your being thrown into the next world'. A motorist for miles together cannot know how far he had travelled on the road.

There is, of course no hospital or dispensary on the entire road. An irate traveller said, "The mobile dispensary that you are talking of exists only on paper."

A highway official told me that the highway which has 363 culverts and 11 bridges is 72 feet wide. The main carriageway is 24 feet wide; hard shoulders on either side are 10 feet wide. The earthen shoulders one on either side are two feet wide, but the volume of traffic is such that the road may have to be widened.

The big news about the Super Highway is that between the 52nd and 92nd milestones it is being re-carpeted. And at the 69.4th milestone an entirely new road linking Thano Bula Khan is to join it.

BRIEFS

MAZARI SUGGESTS INTERIM GOVERNMENT--Simultaneous lifting of the Martial Law as well as the induction of an interim government "directly" under the charge of the Chief Justice, Supreme Court of Pakistan, was "the only way out of the present impasse," Sardar Sherbar Khan Mazari told DAWN on Wednesday. Critics say there will be "vacuum of power" if the Martial Law was lifted, but Mr Mazari contended that it was exactly to prevent the vacuum from occurring that he was proposing simultaneous takeover by the Chief Justice, Supreme Court. Asked how would the Chief Justice take over, Mr Mazari said it would be "through a fresh Martial Law Regulation, restoring the 1973 Constitution and appointing the Chief Justice with a specific mandate to conduct elections within a period of 90 days." Simultaneously as the Chief Justice assumed power, the Martial Law, to all intents and purposes, would be "dead," he added. He explained that the Supreme Court, in its judgment, had allowed a maximum period of eight months for the restoration of the constitution. Accordingly, the Supreme Court owed it to the nation to "assume power" and arrange for a nationwide polls for ultimate transfer of power to elected representatives, Mr Mazari maintained.

[Text] [Karachi DAWN in English 11 Feb 82 p 1]

KARACHI'S NEW ADMINISTRATIVE SETUP--Islamabad, Feb 10--The long-awaited report envisaging an effective administration for Karachi is to be submitted shortly to President Zia-ul-Haq who recently evinced keen interest in the report and desired its immediate and effective implementation, Maj-Gen Shafiq Ahmad, Federal Secretary, Housing and Works, told DAWN today. Before its submission to the President, he said, the entire report will be carefully examined by experts in a meeting to be held in Karachi by the end of this month. The Secretary said some controversial points put up by the Mayor of Karachi were amicably resolved in the previous meetings. It may be recalled that the President had directed the Works Ministry to prepare a comprehensive report after his visit to Karachi during which he had been apprised by the citizens of the numerous problems faced by them. The task to prepare the report was assigned to the Environment and Urban Affairs Division, (EUAD) of the Ministry. The report, originally prepared by a seven-member committee set up by EUAD, was completely reshaped by a committee of experts. It was also examined by three foreign experts. The Works Secretary said implementation of the report will bring very positive changes in the existing setup of Karachi. [Text] [Karachi DAWN in English 11 Feb 82 p 1]

RUPEE DELINKING AFFECTS EXPORTS--The export of textile goods has declined by about 20 percent since the delinking of the rupee from the dollar owing to currency adjustment factors. Textile sources said foreign buyers appeared to be reluctant to sign fresh deals until the Pakistan rupee as a fleeting

currency stabilises at a reasonably strong level against the dollar and other currencies in the managed basket. Any wide fluctuation, either-way, they said might be disadvantageous for both the buyer and seller. Sources said it was widely speculated in the local trade circles that the rupee might stabilize around Rs 11.00 per dollar, or slightly above sometimes in March. This level might help restore normalcy to the export business. They said stalemate in the local cotton market where the daily business have dropped to a low ebb also indicates that both mills and spinners have no pressing export commitments to cover. It was peak of the season but no ready business has been reported for the last two weeks. The idea of fall in both export and import tonnage may be had from the fact that cargo handling at Karachi Harbour has recorded a sharp fall over the past month, from a daily average of 20,000 tons to about 12,000 tons. Meanwhile, shipments under deals signed prior to the delinking were flowing smoothly and were expected to be completed well ahead of the stipulated time. [Text] [Karachi DAWN in English 11 Feb 82 p 10]

MRD CONVENER ON PNP--The MRD's convenor, Mr Zainul Abadin said on Wednesday he was hopeful that Mir Ghaus Bux Bizenjo's defunct PNP (Pakistan National Party) would join the MRD. In an interview, he talked of the "meeting ground" between the position taken by the MRD and the PNP's stand with regard to the rights of the federating units. PNP's Yusuf Masti Khan had prolonged discussions with the MRD leaders in Karachi recently, and the talks ended on a "positively encouraging note," Mr Abadin said. Later, he said Mr Bizenjo sent to the MRD's coalescing parties a copy of the defunct PNP's December 1981, resolution passed in Lahore. The PNP felt that the subjects assigned to the provinces under the 1973 Constitution were "inadequate" and, besides, whatever the rights were given to them were not adhered to by the Centre. Mr Abadin said the MRD's thinking, too, was alike--a fact already corroborated by the defunct PPP's Yahya Bakhtiar on the working of the Constitution. Besides, the MRD felt that, if necessary, some more subjects from the Concurrent List could, by agreement, be transferred to the federating units. In fact, a consensus on the subject between the parties before the transfer of power would be "most welcome," he added. [Text] [Karachi DAWN in English 11 Feb 82 p 10]

KMC DEBATE REPORT DEMANDED--The Federal Government has called for a report on the proceedings of KMC Council meeting on Feb 8 which was adjourned under protest after a unanimous resolution against Mr Zahoorul Hasan Bhopali and his companions for casting aspersions on the elected members of the Council, it is learnt. The Government has also asked for a full text of the controversial welcome address read out at the Pakistan Istehkam Council reception held at Arambagh in honour of the Federal Information Minister, Raja Zafrul Haq and Mr Bhopali, in which it is claimed, aspersions were cast against KMC Council-lors and others. Sources said report of the proceedings would include the Mayor's speech, members speeches, and the text of the resolution copies may also be sent to the Sind Governor, the Federal Minister for Local Government, and the Secretary, Sind Local Government. A copy of the resolution which was not allowed to be tabled by the Mayor in last month's session for a proposed reception to the nominated members of Majlis-i-Shoora may also form part of the report. [By Saghir Ahmad] [Text] [Karachi DAWN in English 11 Feb 82 p 10]

NO BAN ON SARI--Rawalpindi, Feb 11--The Federal Information Secretary, Maj Gen (Retd) Mujibur Rehman said here that there was no ban on "ari" in Pakistan. He was replying to a question from a newsmen that it has been reported in a section of the Press that the wearing of sari has been banned. He said: There is no such ban on the wearing of sari, but a majority of the women in the country wear shalwar and qamiz.--PPI [Text] [Karachi DAWN in English 12 Feb 82 p 1]

AL-ZULFIQAR MEN IN SABOTAGE--Lahore, Feb 11--The Punjab Government has detected involvement of 365 persons in sabotage activities out of which 175 managed to leave the country while 100 such persons including three women, have been rounded up by the police. Hectic manhunt is on for 70 more saboteurs reported to be still present in the country. This was stated by the Deputy Inspector-General of Police Punjab, Lahore Range, Mr Ali Irfan Malli, while addressing a Press conference here today. He said all these persons, allegedly involved in anti-State activities, belonged to the terrorist group al-Zulfiqar. The DIG said out of 365 cases about 24 were being referred to military courts. The police, he added, had also recovered foreign-made arms and ammunition from those arrested. Giving a resume of the crime rate in the province, the DIG said the overall crime, registered an increase during the past year. These cases included crimes such as murder, attempt to murder, causing hurt, illegal possession of arms and dacoity. Under the Hadood Ordinance, Zina, liquor drinking, kidnapping, and Qazaf cases also registered an increase. [Text] [Karachi DAWN in English 12 Feb 82 p 1]

TRADE TEAM GETS ORDERS--Firm contracts worth about Rs 30 million to supply goods to Saudi Arabia, Jordan and Iraq were concluded by the general trade delegation of Pakistan which visited these countries from Jan 23 to Feb 9, the leader of the delegation, Mr G. R. Arshad, said on return Wednesday. Contracts include the supply of engineering goods, textiles, readymade garments, etc. The possibility of follow up export orders also existed, he said. In Saudi Arabia, the delegation members had meetings with Saudi Commerce Minister, Commerce Secretary and others.--PPI [Text] [Karachi DAWN in English 12 Feb 82 p 18]

NOORANI DEMANDS 'POSITIVE STEPS'--President of the defunct JUP Maulana Shah Ahmed Noorani urged the Government on Thursday to take "positive steps" to resolve the present crisis before it was too late. Commenting on the Cabinet decision for the continuation of curb on political activities, he said this had disappointed the people. The continuous ban on political activities would encourage underground subversive activities, he said in a statement. Maulana Noorani said that in his opinion, conditions were favourable for holding elections. "Any further delay in polls will be harmful for the country," he added. He further said that for the sake of democracy and integrity of the country, his party had suggested the holding a round-table conference, and this move was supported by most of the defunct political parties and the MRD. Maulana Noorani demanded immediate revival of political activities, announcement of election schedule at the earliest and release of all political leaders.--PPI [Text] [Karachi DAWN in English 12 Feb 82 p 18]

GENERAL ATHIT'S CAREER PROSPECTS DISCUSSED

Bangkok SUPHAPBURUT PRACHAMIT in Thai 20-26 Dec 81 pp 10-17

[Article: "General Athit: My Capabilities Do Not Yet Reach the Step of Prime Minister"]

[Text] Among Thai political critics these days, when talking about the next prime minister, the 17th prime minister, who will take over this position from Prem Tinsulanon, three people are mentioned. The first is retired General Sitthi Chirarot, the present minister of interior. PRACHAMIT analyzed his qualifications and prospects of becoming prime minister in issue 171. The second person is General Saiyud Koetphon, the present supreme commander. The third person is General Athit Kamlangek, an officer who is driving the hardest at present and who holds the most positions, including assistant commander in chief of the army, acting commanding general of the First Army Area, commander of the Metropolitan Guards and so on.

At present, many people are commenting on the possibility of General Athit Kamlangek becoming prime minister, a position which carries responsibility for governing the country so that progress is made on all fronts, regardless of the form of administration. The next person to hold the position of prime minister must be an especially capable and moral person because of the political, economic and cultural decline that Thailand is experiencing these days and that is considered to be a very serious problem. Thus, PRACHAMIT has gathered some data derived from following the various activities and movements of General Athit in order to determine whether or not this man is suited to become the 17th person to hold the position of prime minister.

From a Military Family

General Athit was born into a military family. His father, Phin Kamlangek, was a Lieutenant Colonel. His mother is Mrs Sakhon Kamlangek. He finished M.S. 3 [lower secondary school] at Wat Benchamabophit School and then, following in his father's footsteps, began his military studies as a member of Class 5 of the Army Preparatory School. But he had to repeat a year and so he graduated at the same time as the members of Class 6 in 1948. He was assigned to the 1st Battalion, 5th Infantry Regiment, in Phetchaburi Province.

After 1 year with the 5th Company, 1st Battalion, he was transferred to the 21st Company in Saraburi Province in 1949, and the following year he displayed heroism on the battlefields of Korea. He was the leader of a rifle platoon attached to the 21st Company that joined the United Nations forces in the war against the communists. These were the first Thai soldiers sent to help [in the fight]. Among this first group of soldiers were at least two other classmates from Class 5: Lieutenant General Yutthasak Khlongtruatrot, presently an advisor to the Royal Thai Army, and Lieutenant General Thienchai Sirisamphan, the chief of the Territorial Defense Department.

After serving in Korea for 1 year, the units were rotated back [to Thailand]. On its return to Thailand, the 21st Company was upgraded. It became the 31st Company and was transferred to Lopburi Province. He was then a lieutenant. After that, he was transferred and served as commander of the 11th Company, 1st Battalion, in Bangkok. He was promoted to Captain.

Starting From a Young Hero

Concerning the work record of General Athit, it can be said that he has scored great achievements ever since he was young. This is because the political situation during that period allowed him to show his talents fully. [One] event was the major demonstration of 1957 when students from Chulalongkorn University and the people showed their dissatisfaction with the actions of Field Marshal Phibun Songkhram, the then prime minister. They were unhappy about the election irregularities in Bangkok that indicated that the government had acted dishonestly.

At that time, then Captain Athit Kamlangek was ordered to take the forces under his command and block the demonstrators at Makkhawan Bridge. Concerning this alarming event, just as the demonstrators were about to explode from the pressure of dissatisfaction, they confronted this military force, a force of less than company strength while the crowd numbered in the thousands. It was feared that a clash would occur and that people would die. But it turned out that the crowd began to disperse and the people went home. This wonderful outcome must be credited entirely to the abilities of the company commander, Captain Athit Kamlangek. He used his talents to carry on psychological operations and persuade the crowd to disperse.

After this event, there was much criticism that the reason that Commander Athit had not ordered the soldiers under his command to act with force against the crowd was because the commander in chief of the army and the commanding general of the First Army Area, then General Sarit Thanarat, had directly ordered Commander Athit to be patient and use peaceful means in order to make political gains. At that time, the power base of Field Marshal Phibun was the police force of General Phao Siriyanon. And just a short time later, General Sarit led a military group that seized political power, and he was later called the "red loincloth field marshal."

However, the real capabilities of Commander Athit in the use of mass psychological operations must be recognized. This event showed his powers of persuasion from the beginning. Even with a hostile crowd, he was able to persuade the crowd without showing any signs of fear. For his bravery that day, he was called the "hero of Makkhawan," after the name of the place where this occurred.

Forgotten For 20 Years

After the heroism at Makkhawan Bridge and after the coup d' etat of General Sarit, this hero of Makkhawan Bridge was transferred and stationed in the provinces. He was promoted to Lieutenant Colonel in 1962 and served as head of the Academic Center at the Lopburi Infantry Center. "As for rank and position, do not think that they are important. They are uncertain. When a person [advances] slowly, no one notices him but when he advances quickly, everyone talks about him. I moved about and lived a difficult life along the border but no one talked about me. I was a lieutenant colonel for 8 years. Strangely, almost always, I received a new position about 6 months later than other people...." This is a description of part of his life by General Athit himself concerning events before he took over his present long list of positions, for which he has been criticized. He recounted this to students who had come for national security training, meeting with them at the conference hall of the Santiratsadorn School at the beginning of November.

And as he said, the Hero of Makkhawan was in fact forgotten by people in general. Even though he was promoted to colonel and made commander of the 23rd Combined Regiment, with the task of suppressing the communists in Nakae District in the Phuphannoi area of Nakhon Phanom Province, he still did not receive any notice. It was not until after the events of 6 October 1976 that his name began to appear in the newspapers once again, particularly in 1977 when the activities of the communist forces began to increase in violence. At that time he was commander of CPM Unit 1718 (Civil, Police and Military Unit 1718), which engaged in communist suppression activities in Loei Province and along the border between Loei, Udorn Thani and Nong Khai.

It is said that then Colonel Athit Kamlangek was the only officer of that rank at that time who diligently reported the results of his operations to the people through the mass media. This showed his capabilities in mass psychology, that is, he was able to convince people and make them see the success of the military in suppressing the communists at that time. And it seemed like he was more diligent in this than Colonel Wichit Bunyawat, the secretary of the army, who was then responsible for reporting the results of the army's activities to the people. Because of this ability of his, he became a familiar figure to the people as a suppressor of communists and, in particular, as one who used political tactics rather than military force to achieve results. Besides this, he cooperated in implementing mass activities to oppose the communists. Various civilian volunteer groups were established. These included the Volunteer Defense Corps. At that time, these volunteer groups were established throughout the northeast.

From Hero to Model

In 1977, a philanthropic foundation, which was headed by then Lieutenant General Prem Tinsulanon, the [then] commanding general of the Second Army Area, announced that it would give a Model Thai for 1977 award. Colonel Athit Kamlangek received this award for his many qualities.

At that time, General Prem Tinsulanon was commanding general of the Second Army Area. General Prem was considered to be the favorite of the people because he constantly carried out his duties forthrightly, he led a simple and disciplined life, he was a fighter, he was respectful and, what is important, he was selflessly loyal to the monarchy. And the only soldier to follow exactly in the footsteps of General Prem in this was Colonel Athit Kamlangek.

Thus, it is not surprising that in 1977 he was promoted to Major General and made commanding general of the 3rd Division after having been a colonial for almost 8 years. And that year, he was the soldier whom the people talked about the most after General Prem, having the same rank as the "hero of Taphraya", retired Colonel Prachak Sawangchit.

Two years later, that is, in 1979, he was made commanding general of the 1st Division, which is considered to be the most important unit for determining the fate of the government, whether for executing a coup or putting down a coup. This is because this is the largest unit stationed in Bangkok. Each time there has been a coup, the coup group has been turned into a group of rebels if it has not had the cooperation of the 1st Division.

When he was appointed commander of the 1st Division, it was commented that this resulted because the "new data group" wanted him to replace General Arun Thawasin, the former commander of the 1st Division who had been shot and killed by General Chalat Hiranyasiri, the leader of the 26 March insurrection, during the rebellion. But he held the position of commanding general of the 1st Division only 1 year before he was transferred and made deputy commanding general of the Second Army Area, even though, by all rights, he should have been made deputy commanding general of the First Army Area. But because he had made too much use of his mass psychology talents, the members of Class 7 of Chulachomklao Royal Military Academy, or the Young Turks, who formed an important military foundation that supported General Prem pressured General Prem to transfer General Athit to the northeast.

In the end, he returned with a higher position than before when he displayed loyalty to the throne by playing a key role in suppressing the rebellion of 1-3 April 1981. It was the young turks, or members of Class 7, who were the key element in the attempt to topple the government of General Prem, whom they had once supported. General Athit thus shot forward again and moved up two steps when General Amnat Damrikan, the deputy commander in chief of the army and acting commanding general of the First Army Area, suddenly died. He was thus made commanding general of the First Army Area and commander of the Metropolitan Guards with the rank of Lieutenant General. And in October, he was given the additional position of assistant commander in chief of the army and made a full general. He replaced General Chamnan

Kinwiset, the assistant army commander in chief and a fellow classmate who had influence among the officers of that class and in the army, who was transferred to the powerless position of deputy undersecretary of the Ministry of Defense.

A Full Moon But Hidden Fate

It can be said that, at present, General Athit is the "brightest" person in the Thai army because besides the fact that he holds three important positions simultaneously, there is a rather strong possibility that he will become army commander in chief in 1982 since the two officers who hold higher positions than he does will both retire. Also, in the 1981 (1 October) annual promotion of officers, there are important-echelon officers who were [put in charge of] forces and who are close and loyal friends of his who, along with him, were given positions ahead of more senior officers. These include General Phrom Phiunuan, the commanding general of the 4th Division who was promoted to commanding general of the Third Army Area, and General Phak Minakanit, the commanding general of the Second Army Area who was promoted from deputy commanding general. This is very convenient.

But because he has been able to advance from major general to general in just 1 year and because he holds several positions, various criticisms have been leveled against him. Even though he was the spearhead in crushing the rebellion, the criticism is that General Athit advanced like this because of the merit and prestige of the "new data group" and that he is a person favored by the gods, or a person destined by heaven to meet with success in life.

At the same time, General Athit never responded to any [of the criticisms]. Even though some newspapers that were close to the "young turks" published news items and stories critical of him and even though most newspapers were constantly critical about the fact that he has risen so high in such a short time, he did not respond since the situation during that period was very dangerous because of the fight to take power from the group that lost power. Thus, he has not had time to make more enemies.

When someone set off explosions in the restrooms at the Bangkok Municipal Administrative Building and at the Ministry of Commerce at the end of October, he immediately ordered military and police forces to search the homes of the dismissed officers who had instigated the rebellion of 1-3 April since he had received a report that the "young turks" would do something involving force and that they had held meetings. This also led people to understand that the "young turks" were involved in setting off the explosions.

But things turned out just the opposite. "I want to affirm that these explosions were not set off by soldiers and I have not made plans to create an incident about this as has been charged...." General Athit made this denial at least three times but people still believe that he used his power just to harass the "young turks."

My Abilities Do Not Reach to the Level of Prime Minister

After General Athit suppressed the rebellion and began creating security and unity in the army by moving trusted officers into the important positions, he used his talents to good effect by frequently giving lectures upon invitation by various associations and institutes. At times, he expresses many ideas and policies [concerning what he will do in] governing the country if he has a chance to play a role in administrative circles in the future. For example, his policy toward investors who want to take their money and invest it abroad is to close the airports and use various measures against these investors. He would solve the problem of corruption and illegal actions in government circles by using the laws and he would revise the laws to make them more efficient. And he would [try] to change certain social values; for example, a woman would not have to marry a wealthy person.

At the same time, when he established himself, after allowing the newspapers to criticize him for a long time he helped various scholars go on television and attack these newspapers in general terms. And he himself said that "I have been attacked by the newspapers and have had to endure this constantly. Actually, I can handle them in accord with the law but I do not want to. If a columnist writes something in a newspaper, the editor of that newspaper must take responsibility. If the articles are not checked well beforehand, when something happens the editors cannot claim that their subordinates did something without their knowledge. They must be broad-minded and listen to the views of others."

But in fact, General Athit has always acted in a kindly and supportive way toward newspaper reporters. Even when reporters went out to gather information in his area of responsibility, he looked after them closely. The reporters could not fault him. And even after he became the important person he is today, he has tried to find time to talk with reporters regularly. "I will say frankly that I am a friend of all newspapers. But we must discuss what is wrong. Newspaper officials do not agree with each other. But do you think that the newspapers do not have any evil people working for them? Sometimes they write about personal matters from two angles. For example, they are trying to say that there is a split between Thienchai (Sirisamphan) and myself." It is believed that these general attacks on the newspapers have made him more enemies who have abilities equal to his, that is, abilities in carrying on psychological operations among the masses.

Besides this, at a time when the stability of the government is decreasing because of its inability to solve the various problems facing the country, especially the problem of an economy that has fallen to its lowest level in 30 years, MPs from several groups are trying to open a debate to question the government. But he has voiced opposition to holding discussions saying that the country does not have any problems at present. "We must be just and reasonable and help the morale of the workers. Those who work must have security. The people know who does a good job and who does not. No one can fool them and if they could be fooled it would be for a short time only." General Athit gave his views from experience.

In the end, he gave the facts concerning the comment that he will be the 17th prime minister and will solve the various problems facing Thailand today. It can probably be said that one of the storms that Thailand is facing is that "next year, it is expected that I will become commander in chief of the army and then prime minister. That is only speculation. I do not want to think about this matter. It is up to my superiors. My talents do not yet reach to the level of prime minister. I am not....At present, democracy is faltering. It would be better to let someone else be [prime minister]. It is better not to make assumptions," stated General Athit openly to 4,000 students gathered at Chiang Mai University's conference hall during the middle of November.

"Athit:" The Position of Commander in Chief of the Army Is Not Distant But It Is Not Near Either

The year is not yet over but various military groups are talking about the new year, asking whose year 1982 will be.

Even though 1981 has been the year of General Athit Kamlangk, a man who holds many positions -- assistant commander in chief of the army, acting commanding general of the First Army Area, director of the Region 1 ISOC and commander of the Metropolitan Guards -- in 1982 the person who will wield real power will emerge only as we approach October when General Prayut Charumni, the commander in chief of the army, retires and vacates this important post in the military. But looking at the possibilities, from the power bases that can be seen today, it seems that the post of army commander in chief will not really be "vacant" when General Prayut retires but rather will be there "waiting" for General Athit. But there is still a difference of opinion since General Pramot Thawornchan, the chief of staff of the army, is still an obstacle and has the same right to become army commander in chief.

Not Like the Air Force

Concerning this matter, PRACHAMIT was told by one general that, based on an analysis of the situation in 1982, the matter of the vacant position of commander in chief of the army will resemble what happened this year. That is, when Air Chief Marshal Phanieng Kantarat retired, there were only two high-ranking officers with the right [to take this position]: Air Chief Marshal Thaklaeo Susilaworn, the chief of staff, and Air Chief Marshal Amphorn Khondi, the assistant commander in chief of the air force. The same thing will happen next year in the army when there will be only two high-ranking officers in contention. These are General Pramot Thawornchan, the chief of staff of the army, and General Athit Kamlangk, the assistant commander in chief of the army. In the air force this year, Air Chief Marshal Thaklaeo, the air force chief of staff, "advanced" and took this position while Air Chief Marshal Amphorn Khondi became deputy supreme commander. This should provide a basis for easily seeing who will become the commander in chief of the army next year. This high-ranking officer told PRACHAMIT that it is a matter of individuals and tendencies. It can be said that the situation is different. This is because the air force follows a certain practice.

That is, the person who is selected to become commander in chief of the air force must be qualified for the position and he must also be able to serve in that position for at least 3 years before reaching the age of retirement. When the position of commander in chief of the air force is vacant, this point is considered. Air Chief Marshal Thaklaeo was made commander in chief of the air force because he has several years left before he must retire while Air Chief Marshal Amphorn Khondi has only 1 year left and will retire in 1982. When such is the case, the chief of staff will always be promoted to this position over the assistant commander in chief.

Pramot-Athit?

In 1982, the army will similarly have just General Pramot Thawornchan, the chief of staff of the army, and General Athit Kamlangk, the assistant commander of the army, left [in contention]. This general told PRACHAMIT that, according to the army's work chain, the position of commander in chief is a command position. General Athit, who is presently assistant commander in chief, which is also a command position, is in a more "direct line" for the position than is General Pramot. "At present, the army seems to have learned the lesson that it should be commanders who rise to the highest command position. Speaking frankly, several times in the past, the officers who became army commander in chief after having served as chief of staff did not carry out things as quickly as they should have since they were not able to make decisions resolutely, which is a characteristic of command. They examined things too closely and did not dare do anything, fearing failure. This is characteristic of staff officers, who must be cautious. Thus, next time, I think it will be difficult for a staff officer, or the chief of staff, to become commander in chief of the army since we have learned this lesson," stated this officer. As an example, he also said that in those periods when the commander in chief of the army came from a command background, army activities have been carried out very effectively and quickly. This is true for those periods when Field Marshal Sarit, Field Marshal Praphat, General Krit and General Prem served as army commander in chief.

In Short -- Athit For Sure!

"There is no way that a person can believe that the new commander in chief of the army will come from other than the command line. Put simply, the villagers know this and the soldiers know this. But this does not mean that things will be easy since there are still some obstacles, particularly, political changes. If there are great changes, [the outcome of]this matter will be uncertain. But if only adjustments are made or things stay the same, General Athit will succeed General Prayut as commander in chief," said this general to PRACHAMIT. He added that "this is not because General Athit presently controls important forces in the army. It is because the path upward is like this. Even though General Athit controls few forces while serving as assistant commander in chief of the army, he has a long period of government service left since he will not retire until 1985. Thus, both he and the person who serves as assistant commander in chief of the army next year have the right to hold this position. It does not necessarily have to be General Athit."

Objections and Reasons

At a time when General Athit is at a high point, reporters have raised the question of who has greater power -- General Athit or General Prayut, the commander in chief of the army? There have constantly been objections, both voiced and through actions, and it is thought that things will become tenser the closer it comes to the time for changing positions.

PRACHAMIT listened to the views of one member of the opposition who said: "Will General Athit [get the position] for sure? He has not really been in a command position because, in accord with military practice, he is now out, or almost out, of the command line. When he was the commander of the First Army Area, it cannot be said that he was a staff officer. It should be realized that General Athit did not graduate from the Army Staff College. And it is firmly believed that the person who advances to a high position must have attended this institute. Lets look at the command line, which General Athit is said to have followed all the time. From deputy commander of a division, he became the division commander. He then became the commanding general of an army area and assistant commander in chief of the army. This is a progression that contains weaknesses. And for political reasons, the army wants a commander in chief who is not involved in politics and who does not need political support. The army will become united and have prestige, and, what is more important, the idea of not allowing the military to become involved in politics will become a reality."

Not Expert In Language -- an Important Point

Those who oppose the advancement of General Athit to the position of army commander in chief next year feel that the person who takes this position must be adequately prepared and that he must have been preparing since he was a junior officer. "General Athit, as is well known, is not proficient in English. If he wants to hold a conversation, he must have someone help him. This is important because the military must have contact with foreign countries and such contacts will increase constantly. Since ASEAN will cooperate more militarily, it would be very sad for him since he has never studied abroad or served as a military attaché. This is a matter of his not being prepared for the top position. As for Chief of Staff Pramot, he is all right and seems to be highly suited for this position. Another thing is that, concerning this army chief of staff, it cannot be said that he is nothing but a staff officer because no officer serves only as a staff officer. He was given the position of chief of staff of the army. It is not correct to say that he is only a staff officer since he was once a line officer. He was once deputy commanding general of an army area. But concerning this solid position in the army, Prem pulled him out and gave him a defense position since there was a vacant position for a lieutenant general. But after he was put in the ISOC and the Army Operations Center, the work that he carried out in these "refreshing gardens" was also command work. Furthermore, he will not retire until 1985, just like General Athit. As for seniority, he is the senior of the two since he was a member of Class 3 of the Army Preparatory School, the same class as General Thuanthong Suwannathat. He was thus two classes ahead of General Athit and he was promoted to major general and

lieutenant general ahead of General Athit. However, they were both promoted to full general at the same time. We can see his seniority by looking at their monthly salaries. The monthly salary of Chief of Staff Pramot is higher because the salary of General Athit has not kept pace with rank. Soldiers hold firmly to seniority and to who made rank first. If the ranks are equal, the salary must be looked at. But the end result seems to lead to suitability. Concerning this suitability, people should remember what General Sitthi said when he spoke on television recently. He said that using the word suitable is not fair because while one person may feel that [a person] is suitable, many others may not. But those who do not feel [the person] is suitable are not the ones who make the decisions. To make things fair, people should not talk about suitability.

Suitability Again

PRACHAMIT was told about this "suitability" and "unsuitability" once again. "This should no longer be used as General Sitthi, the minister [of interior, said because "suitability" is not fair. An example is Air Chief Marshal Bancha Mekhawichai. He was the chief of staff of the air force and had carried out many tasks as a line officer and as a staff officer. When he reached the point at which he could become commander in chief of the air force, he was said to be unsuited to this position because he had begun his military career in the navy and had graduated from the Naval Academy, transferring to the air force later on. He thus had to serve as deputy undersecretary of the Ministry of Defense. He died in a helicopter crash at Doi Ang Khang. But similarly, Air Chief Marshal Thaklaeo, the present commander in chief of the air force, was once a soldier in the army and only became a member of the air force when he had the rank of squadron leader. No one said that he was unsuited because he had once been a soldier in the army. This was because his superiors felt that he was suited...."

This Will Affect Many Aspects

"Another thing is that I feel that this is too fast and that it will have a bad effect on General Athit himself. He will be an army commander in chief who will feel inferior because of having been awarded fewer decorations." This is the opinion of one person. He explained that because General Athit advanced from major general to full general in only 1 year, he has not received as many decorations as he would have. "He is still wearing the Pathamaphorn decoration of a major general. This was seen during the parade of the Royal Guards since this decoration must be used for 3 years before it can be raised to the "white elephant" rank, which is for lieutenant generals. This is because, normally, people are promoted from major general to lieutenant general. No one has ever been promoted faster than that. Although he has been promoted to full general, he still wears the decorations of a major general. If he becomes the commander in chief of the army, he will have only the decorations of a lieutenant general. This would be offensive and be bad for him"

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